# Herald Cribune

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# Russia Force Renews Move On Capital In Chechnya

Moscow Rejects Offer By Rebel Leader to Hold Peace Talks in Grozny

By Steven Erlanger

New York Times Service

MOSCOW — Russian troops were reported to be moving toward the outskirts of the capital of the breakaway Chechen republic against strong resistance late Sun-day night, according to the ltar-Tass news agency. But there was no indication that an assault on the capital, Grozny, had begun.

[Russian warplanes bombed the rebel Chechen capital early Monday near the city's main television tower, Reuters reported from Grozny. A Reuters reporter said the bombs appeared to fall closer to the city center than in any previous air raids in the Chechnya crisis, blowing doors open and rattling windows.

The troop movements came after an aide to President Boris N. Yeltsin of Russia rejected an evening offer from the Che-chen president, Dzhokar M. Dudayev, to talk to a Russian envoy in Grozny.

"There will be no more answers to Dzhokar Dudayev's telegrams," the official of the presidential press service told Itar-Tass. He said the Dudayev telegram was not an answer to Mr. Yeltsin's message earlier Sunday urging the Chechen leader to agree, "without delay," to talks with two senior Russian officials in the nearby North Ossetian town of Mozdok.

But Sunday night in Grozny, at a news conference, Mr. Dudayev said he would discuss the status of Chechnya, which declared independence three years ago, only with Mr. Yeltsin or his prime minister, Viktor S. Chernomyrdin.

Mr. Yeltsin's spokesman, Vyacheslav Kostikov, described the offer as "yet an-other gesture of goodwill with a view to ensuring a political settlement of the situation in the Chechen republic."

The Yeltsin telegram was a response to . fr. Dudayev's successful effort late Saturday night to forestall a Russian operation against Grozny by offering to negotiate in person, and without conditions, But the stress in Mr. Yeltsin's telegram

and Mr. Kostikov repea ed that Russia's requirements remained

See CHECHNYA, Page 4



A father and daughter escaping grenade fire Sunday in Sarajevo, hours before Jimmy Carter arrived. Sources said the shots probably came from Bosnian Serbs.

# Carter, in Bosnia, Stresses His 'Limited Role'

By John Pomfret

SARAJEVO, Bosnia-Herzegovina — Former President Jimmy Carter arrived here Sunday night and immediately downplayed hopes that his dramatic mission to Bosnia could result in a tide to end Europe's worst conflict since World War II.

Arnid reports from United Nations and Bosnian Army sources that rebel Serbs have broken a pledge made to the American by taking a key Muslim-held town in northwestern Sossia, Mr. Carter waded into the Balkans morass, teiling reporters he had a "limited role to play here."

to play here." The contrast of the start of another peace mission with

word that the town of Velika Kladusa had fallen could not have summed up better the pitfalls faced by a former president with limited experience in this part of the

What I'd like to do obviously is to understand the situation and contribute to some alleviation of tension," Mr. Carter said in a cautious statement upon arrival in a

UN plane at Sarajevo airport.
Other goals included a re-opened airport, free passage for UN aid convoys, the release of UN personnel whose freedom of movement is still restricted by the Service cease-fire and "some attention given to protecting human rights" — all points that the leader of the Bosnian renege on its commitments to Sarajevo and force it to visit, had promised to fulfill before Mr. Carter's arrival.

Asked if thus he hadn't been too hasty in coming to Sarajevo, Mr. Carter replied, "I don't want to comment on the specifics." He added, "I think I've received

enough assurances.

Mr. Carter will meet Mr. Karadzic on Monday. The former president's minimalist goals belied the international aftention focused on his mission and his past record as an arbiter of skill, stubbornness and independence in Angola, Haiti and North Korea. They also did not answer the mestion asked by officials of the musting in the clinary of the character of of the ton administration was not using the mission as a way to

See CARTER, Page 4

# **U.S. Pilot Dies** In Downing Of Aircraft in North Korea

Pentagon Denies Spying And Seeks Release of Second, Uninjured Flier

By Steven Greenhouse

New York Times Service
WASHINGTON — The White House announced Sunday that the pilot of a United States Army helicopter that was shot down or forced down in North Korea was killed in the incident, while the second pilot was alive and unharmed.

"This tragic loss of life was unneces-sary," President Bill Clinton said in a statement, which took a tougher tone toward North Korea than when American officials first learned of the incident late

Mr. Clinton said his primary concern was the return of the body of Chief War-rant Officer David Hilemon and the release of the other pilot, Chief Warrant Officer Bobby Hall.

North Korea has insisted that the unarmed two-seat OH-58 Kiowa helicopter was on a spying mission 5 to 8 kilometers (3 to 5 miles) into its territory, but Pentagon officials maintain that the two pilots strayed during a routine training mission.

Pentagon officials said Sunday that they remained unsure whether the helicopter was shot down, forced down or perhaps had mechanical difficulties.

Defense Secretary William J. Perry said he wanted to know how the army scout helicopter had gotten so far north of the Demilitarized Zone.

The Defense Department has launched a full investigation of the circumstances that led to this tragic loss on a routine training flight," Mr. Perry said in a state-ment. "Results will be reported as this investigation reaches its conclusion."

Some American officials voiced frustration with how North Korea has handled the incident, saying it has been slow to make information available. They wonder why Pyongyang at first said the two pilots were being held for questioning.

In its initial comments, the Citron setministration was eager to resolve the incl-: phots rei countries could concentrate on the sensitive task of carrying out their month-old nuclear agreement.

But with the news of Warrant Officer Hilemon's death, administration officials acknowledged that they had a considera-bly more serious incident on their hands.

Mr. Clinton said he had asked Representative William B. Richardson, Democrat of New Mexico, to extend his stay in North Korea to help resolve the crisis. Mr. Richardson arrived in North Korea carly

See KOREA, Page 4

Republicans

Say Spending

**Cuts Come First** 

A U.S. soldier handing out nuts to Belgian youngsters in Bastogne in remembrance of the word a U.S. general used to answer German demands that he surrender to an onrushing Nazi force during the Battle of the Bulge 50 years ago.

# 'We Can Still Lose War'

# Remembering Battle of the Bulge

By Rick Atkinson

Washington Past Service

BASTOGNE, Belgium — They are old men now, all of them, and their memories after half a century are distilled to essences, to something pure and remote and terrible.

They remember the saow, the cold, the rush of artillery in the early morning darkness. They remember fear, hunger, confusion. They remember the dead, and they want you to remember the dead, too: how those who fell assumed a deep claret color because blood in the capillaries beneath the skin froze so quickly.

Fifty years ago this week the U.S. Army stumbled badly for the only time in its crusade to liberate Europe from Nazi Germany. Among the releatless procession of 50th anniversaries recalling World War II events in Europe, the Battle of the Bulge commemoration is the bitterest.

By underestimating the German ca-

pacity to counterpunch, in what an offi-cial account calls "one of the worst intelligence failures in the history of the U.S. Army," the Americans would pay a horrific price: 81,000 casualties, including more than 19,000 dead, The German attack was so disheartening that Lieutenant General George S. Patton Jr., not known for his faint-heartedness, confided to his diary, "We can still lose this

The army bent but did not break; the German onslaught bowed back the Allied line along an E5-mile front. Fighting swept across 2,000 square miles of Belgium and Luxembourg. Some villages changed hands four times. In scope, intensity and duration, it was the single greatest battle the U.S. Army fought in

And in the end, the Bulge broke the back of German resistance, opening an unremitting assault on Fortress Deutsch-

See BATTLE, Page 4

### By Clay Chandler Washington Part Service WASHINGTON — Congressional Republicans vowed on Sunday to push for

cuts in government spending before enact-ing their ambitious proposals for lowering taxes, and they signaled that some of the tax reduction measures in the Republican "Contract With America" might have to be scaled back.

Appearing together on the NBC News program "Meet the Press," prospective leaders of the four congressional panels responsible for tax and spending legislation - Bob Packwood of Oregon, of the Senate Finance Committee; Pete V. Do-menici of New Mexico, of the Senate Bud-get Committee; Bill Archer of Texas, of the House Ways and Means Committee, and John R. Kasich of Ohio, of the House Budget Committee - promised not to approve any tax cuts until Congress had agreed on compensating spending reduc-

"We're not going to say, 'We're going to give you the goodies today, and we'll pay for them tomorrow,' said Mr. Kasich, one of the most ardent champions of the compact, which pledges a host of tax breaks for groups ranging from families to investors, married couples to big corpora-

"I'm not even going to consider what tax cuts we're going to do until I see spending cuts that will match them," echoed Mr. Packwood.

Recalling how Congress ran up prodi-gious deficits in the early 1980s by adopt-ing the tax cuts proposed by Ronald Reagan, then disregarding his recommendations to scale back govern-ment programs, Mr. Packwood said, "I just don't want to see us once again send out tax cuts with a lick and a promise and a hope that spending cuts are coming later."

Republicans have yet to outline their legislative strategy for tackling spending cuts first, but Mr. Kasich and the House Republican leader, Richard K. Armey suggested that House Republicans plan to do so through the creation of a "tax relief savings account."

"We will bank the money in January See TAXES, Page 4

# Ruling Family and the Economy Fuel a Simmering Saudi Discontent

By John Lancaster

Washington Post Service
RIYADH — A journalist gripes about having to send his children to private schools because public classrooms are so crowded. A government doctor frets about shortages of painkillers and preferential treatment for patients with ties to the Sandi royal family. A successful engineer wonders why he still lacks a private phone four years after he applied for

As the oil bonanza fades and the economy contracts, such middle-class grievances are piling up in Saudi Arabia, strengthening the hand of Islamie fundamentalists opposed to the ruling Saud family.

The signs of middle-class unrest have evoked memories of prerevolution Iran: Saudi diplomats defect, internal protests lead to arrests and a wellfinanced group of fundamentalist exiles launches anti-government broadsides that strike a chord even with Westernized liberals inside the kingdom.

But divining the true extent of the unrest - and the threat it poses to the Saudi regime - has been next to impossible in a closed society whose leadership rarely grants visas to Western journalists. In

recent weeks, the Saudi government has opened the country's doors to a trickle of Western reporters, hoping to counteract forecasts of economic and social chaos emanating from dissidents living

Conversations over 12 days in the kingdom this month with Saudi businessmen, academics and professionals —including some with ties to the Londonbased exiles — suggested that the comparison with Iran is premature. Even sharp critics of the ruling family say their wish is reform, not revolution, invoking the Koranic injunction against disorder.

At the same time, the dissidents' message has resonated with ordinary Saudis, many of whom are fed up with what they perceive as the royal family's corruption and lavish, state-subsidized lifestyle — and get illicit pleasure from seeing it publicly attacked. Anger at the United States, a stauneh ally of the monarchy, also is common.

During a crackdown in September, the govern-ment jailed two prominent Muslim clerics linked to the dissident movement, but illegal tapes of their

See SAUDIS, Page 4

# Airline Safety: It's Getting Complicated Very Fast

By Adam Bryant

NEW YORK - When Transportation Secretary Federico F. Pena meets next month with hundreds of airline employees and other aviation experts, a basic ques-

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done to improve airline safety? The question is rarely raised in so public

a forum. But it has been some time since travelers have had so much cause to ask. So with the growing unease about flying, heightened after an American Eagle plane crashed near Raleigh, North Carolina, last Tuesday — the nation's fifth fatal crash of an airliner this year — public pressure may have prompted the call for broad answers

cause transportation choices are shrinking. Amtrak has said it will eliminate some rail routes altogether, and the financially be-

tion will be on the table: What is being has cut back its network in recent years. What is more, the public's confidence in commercial aviation may erode if current trends continue: With airline traffic expected to grow about 5 percent a year for the foreseeable future, Boeing Co. has pro-

Airline inspections have been stepped up, a senior U.S. official said. Page 2.

jected that the number of jet crashes on reducing accidents.

The meeting will be of interest to a growing number of travelers in part because transportation choices are shrinking. fatalities per million miles flown -- holds

steady.
U.S. airlines are the world's safest form leaguered Greyhound, the only remaining of mass transportation, with the huge mabus company offering nationwide service, jority of the more than 7.2 million flights a

year completed uneventfully. But people who build, fly and regulate planes recognize that travelers demand perfectly safe transportation, a standard that is impossibie to achieve or even approach with quick fixes every time a plane crashes.

The solutions are getting more complicated as the industry moves beyond what some people call the "flashing light in the cockpit" era — those decades in which most problems were solved by building backup and warning systems.

For example, although wind shear is

suspected as a cause of a USAir crash carlier this year in Charlotte, North Carolina, that was the first time it had been a factor in a jet crash anywhere in the world since 1987, when shear warning systems

See PLANES, Page 4

# 2d Blast Rocks **Danish Capital**

Kiosk

COPENHAGEN (AFP) — Copen-nagen was rocked Sunday by its second bomb blast in 24 hours but the device caused only slight damage and there were no casualties, police said. The device went off at 9:48 P.M. in an almost described garden behind the Parliament building,

On Saturday, another bomb went off in the city's center, shattering hundreds of windows and damaging cars but without causing injuries. It had been placed opposite a residential

# Berlusconi an Aggrieved Star? Media-Adept Leader Personalizes Politics

By Alan Cowell New York Times Service

ROME - Silvio Berlusconi, Italy's billionaire prime minis-ter, made much of his money by offering soap operas and game shows and high-kick dancers on commercial television stations that drew almost half the country's viewers.

For a man who won power in part by deploying his vast corporate resources in advertising and television, the unraveling of his political fortunes has seemed an extraordinarily unscripted spectacle.

Last week he was summoned before investigating magistrates in Milan to face seven hours of interrogation about suspected corruption at Fininvest, his vast business empire, an allegation

he denies. Sworn into office in May, he now faces a confidence debate in Parliament on Wednesday with a crucial coalition ally openly threatening to desert him. A vote on the motion is expected on Thursday.

Perhaps most striking of all is the sense that Mr. Berlusconi, a 58-year-old media tycoon who entered politics only last January, has personalized the political fray to the extent that he stands virtually alone at center stage equating his own survival with the national interest. Sometimes he sounds like an aggrieved movie star - undermined by the studio, beloved by

Calling the charges against him a conspiracy, Mr. Berlusconi said the other day that it was "so vast that it can be compared to a coup d'état," and was not just against himself but "the credibility of a new political process, which has won the approval of the popular vote."

As he faces the confidence vote in Parliament, Mr. Berlusconi's future is so much in doubt that both Chancellor Helmut Kohl of Germany and Prime Minister John Major of Britain have declined to set firm dates in early 1995 for planned one-on-one meetings with him.

And at home, as government

tics of survival rather than na-

**NEWS ANALYSIS** 

tional management, the Italian leader faces a long list of woes:

• The 1995 cost-saving budget, watered down under union pressure, is under fire from Italian business and the Interna- em League, whose leader, Umtional Monetary Fund.

### Italian Judge **Deals Directly** With Journalist

BERGAMO, Italy Antonio Di Pietro, the crusading magistrate who abruptly resigned two

weeks ago, lost his cool and hit a journalist at his wedding reception in Curno, near here, Italian papers reported Sunday. Around 40 people had

been invited to the private reception Saturday night, a day after Mr. Di Pietro was married to his longtime companion, Susanna Mazzoleni. During the evening, he sped away in his car. A short distance away he pulled up next to another car where a reporter for the Italian news agency ANSA was writing his report.

The judge grabbed the journalist, pushed bim against the car, head-buttpunched and slapped him, then seized the man's camera and tore out the film, while haranguing other journalists in the full view of the policemen who had been put on duty for his protection, reports said.

A woman, believed to be one of the guests, intervened and persuaded him

DUTY FREE ADVISORY

officials and politicians become ever more enmeshed in the poliwith the Milan magistrates over their investigations into Italy's bribery scandals and the Matia.

• Mr. Berlusconi's various companies face a battery of corruption inquiries that may yet land him in court.

• The coalition he heads in Parliament is under threat from one of its members, the Northberto Bossi, has made the challenge to Mr. Berlusconi aspersonal as the prime minister has taken it to be.

But, in many ways, it is symptomatic of Mr. Berlusconi's style of leadership that there are few in his entourage whom he can blame for his troubles.

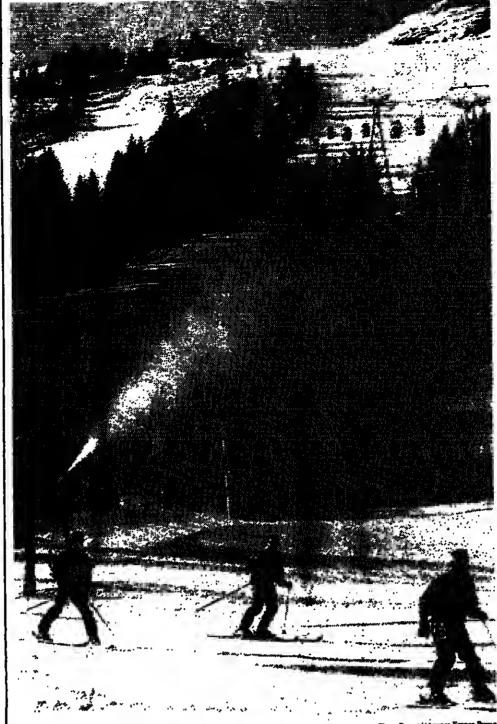
From the start, his Forza Itahia movement was established as a loosely organized marketvehicle for the election of Mr. Berlusconi rather than the kind of structured political party Italians are used to.

His closest advisers are the same people who formed his inner circle in business. His personal lawyer, Cesare Previti, is now defense minister; a longtime business associate, Gianni Letta, is the top-ranking official in the cabinet office; the government spokesman, Giuliano Ferrara, made his name as a talk-show host on one of Mr. Berlusconi's commercial television channels.

As he watches the crisis unfolding around him, Mr. Berlusconi seems to feel that if anything will pull him through, it will be the force of his personal-

He personally would not have problems resigning, he seemed to say in a recent interview with Panorama magazine, which he also owns. But he had to think of all the voters who wanted him to stay on.

"You must not forget that this coalition was formed around the initiative of a leader who has a first name and a surname and who has won the



A SNOW DROUGHT — Snow cannons working at the French resort of Courchevel to allow skiers to get to the bottom of the mountain, where there is no snow.

# Transportation Head Rebuffs Critics, But He Steps Up Air Safety Inspection

WASHINGTON - Transportation Secretary Federico F. Peña said Sunday that the Federal Aviation Administration

and larger airlines, because of concerns about safety.

Both Mr. Peña and the head

had stepped up its inspection of of the Federal Aviation Adminall U.S. airlines, both commuter istration. David Hinson, emphasized that they considered it safe to fly despite recent crashes that have disrupted travel.

Mr. Peña rejected criticism that his department, which includes the FAA, has been sluggish in regulating air safety. The FAA has been accused of slowness in implementing proposed regulations from the National Transportation Safety Board, which investigates air crashes.

The board, for example, urged shortly after the Oct. 31 American Eagle crash near Roselawn, Indiana, that ATR aircraft be grounded in icy weather conditions. Although the FAA unposed some new re the aircraft in icy conditions until more than a month later. Bnt Mr. Peña said the agency was aggressively monitoring the

airlines. He cited the suspen-sion of 42 daily flights last Thursday by Kiwi Internation-al Airlines after the FAA raised questions about the carrier's pilot training.
Mr. Hinson said Sunday that he considered the recent commuter accidents, as well as the crash Sept. 8 near Pittsburgh of

a USAir jetliner that killed 132 people, as "random" events.
"We find no connection between them whatsoever," he said. He also said "there is hardly any statistical differ-ence" in the accident rates of the commuters (0.4 per 100,000 departures) and the larger air-

lines (0.3 per 100,000). The FAA earlier this month announced that it would require commuter airlines to comply with stricter pilot training and operating requirements more in line with those already

imposed on larger air carriers.
Mr. Peña said that the tougher safety standards for commuter airlines are expected to be issued by the FAA within 100 days, but some of the final rules may not go into effect until the end of 1995.

"The American people ex-pect and deserve the highest level of safety in our airline system." Mr. Peña said in a television interview. He added that he frequently uses commercial air transportation.

power plants that would produce less potential bomb-making material than the North's current equipment.

Mr. Ozawa, secretary-general of the New Frontier Party, the second biggest in Parliament, said on Japanese television that Japan should not spend a huge amount of taxpayers' money unless suspicions of North Korea are completely removed. He said the current agreement contains some ambiguous parts.

WORLD BRIEFS

SINDELFINGEN, Germany (Reuters) — Germany's leading far-right party, the Republicans, faced an uncertain future on

Sunday after driving out its charismatic leader for seeking a

The party leader, Franz Schönhuber, declined to stand for re-

election as chairman at a weekend convention after being ousted in a party revolt. As his successor, delegates elected Rolf Schlierer,

39, a lawyer who heads the party's bloc in the legislature of Baden-

Mr. Schlierer pledged to steer away from cooperation with groups farther to the right, like the alliance that Mr. Schönhuber

had sought. But it is unclear what course the Republicans will

follow to overcome the loss of Mr. Schönhuber, their only national

figure, and reverse a sharp decline in popularity and votes.

**Iran Mission Denies Funding Hamas** 

AMMAN, Jordan (Reuters) - Iran's embassy in Jordan denied

on Sunday allegations in a U.S. congressional report that it could be acting as a conduit for funds for the Islamic Resistance

"It has no relationship with any Jordanian or Palestinian party or group, including Hamas," the embassy said of itself. "The embassy categorically denies these lies and allegations."

The mission said in a statement that its main priority was to expand "brotherly ties with the Hashemite Kingdom of Jordan."

TOKYO (AP) — Ichiro Ozawa, leader of a new opposition party, said Sunday that Japan should not join a U.S. South

Korean plan to give North Korea new nuclear plants until it

removes all doubts that it is developing nuclear arms.

Japan and South Korea had been expected to be the main

donors of the \$4 billion needed to give North Korea two modern

Japan Figure Wary of North Korea

German Rightists Oust Party Chief

national alliance with extremists.

Movement, or Hamas, Israel's bitter foe.

- Milet Hit

Separate Strikes Paralyze Karachi

KARACHI, Pakistan (Reuters) - Strikes called separately by a militant Sunni Muslim group and a transport union paralyzed Karachi on Sunday, and eight people were killed in continuing

All major business centers and markets in the country's commercial capital of 10 to 12 million people remained shut and many people stayed indoors fearing violence during the strike called by the Sipah-e-Sahaba Pakistan Sunni group. It is locked in a violent feud with Tehrik-e-Jafria Pakistan, a militant Shiite Muslim

group.

The Sunni Muslim strike, to protest the killing of eight people in a Sunni mosque on Dec. 7, coincided with a strike by the Karachi a Sunni mosque on Dec. 7 coincided with a strike by the Karachi as a spate of arson attacks on Transport Unity union, angered by a spate of arson attacks on public transport. Ethnic, sectarian and political violence has claimed at least 135 lives in Karachi this month.

### Cubans Still Believe in Revolution

MIAMI (Reuters) — A majority of Cubans believe the 1959 revolution that brought Fidel Castro to power yielded more successes than failures, according to a poll issued Sunday.

The poll also said that many Cubans were deeply concerned about the country's economic problems and blamed them on a U.S. embargo rather than their Communist country's political system. Thirty-one percent of respondents listed the U.S. embargo as the most serious problem facing Cuba, with 25 percent citing a lack of food and 17 percent the economy in general. Three percent cited the political situation.

The poll designed by The Miami Herald newspaper in Floridaand CID/Gallup, the Costa Rican affiliate of the Gallup polling organization, was conducted in November by 14 Central Americans. They canvassed 1,002 Cubans in 75 percent of the country, the Herald said. While it warned that some respondents might have censored themselves, the newspaper quoted poll-takers as saying they believed the Cubans answered honesily. Havana gave permission for the poll if there were no questions about "personalities," like Mr. Castro.

### TRAVEL UPDATE

### quirements, it did not ground No Cruise for Some QE2 Passengers

LONDON (Reuters) — Angry passengers turned away at the last moment from a Christmas cruise aboard the luxury British liner QE2 formed an action group on Sunday to sue the owners,

They were enraged after turning up to be told that plumbing had not been completed in time in 100 cabins after a £30 million (\$47 million) refit. The ship sailed Saturday from Southhampton to New York. A British lawyer, David Steene, said: "Cunard must have

known the boat would not be ready and they should have told us last week instead of just a few hours before she left. My wife and children are absolutely devastated. We have been looking forward to this holiday all year," he said. He added he was forming an action group and dozens of passengers had joined.

An Egyptian highway project near the Pyramids will continue to be monitored closely by the United Nations' World Heritage Committee to ensure that Cairo keeps the road away from the Pyramids, a Unesco official said Sunday in Bangkok. The official said Egypt had assured the committee that the Pyramids would Belgian roads may be blocked from midnight Thursday by truck drivers and road freight operators who have threatened to act if

their demands for tax rebates are not met, the Belga news agency In Kenya, thousands of travelers were stranded this weekend when the long-neglected road linking the Indian Ocean resort of Mombasa with the capital, Nairobi, became impassable after

heavy rains. Newspapers said thousands of passengers traveling to or from Mombasa were unable to complete their journeys on Saturday after trucks overturned and blocked the narrow road while trying to avoid potholes.

### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

WEDNESDAY: Malawi,

FRIDAY: Guatemala, Japan, New Zealand.

SATURDAY: Austria, Brazil, Bulgaria, Canada, Czech Republic, Denmark, Finland, France, Germany, Guatemala, Iceland, Italy, Liechtenstein, Macao, Mexico, Monaco, Norway, Panama, Portugal, Skvakia, Sweden, Switzerland, Vatican City, Zaire.

Sources: J.P. Morgan, Reuters.

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**AEROSPACE** 

Altitude, speed and time are still shown in modern cockpits by means of a pointer or needle—precisely because this sort of indicator sweeping over a circular gauge is what a pilot sees best, particularly when he also has to keep track of countiess other pieces of information. But digital readouts can for instance provide times to \( \frac{1}{1}100\text{th} \) of a second and alpharumerical data along with simplifying the setting of conversamable functions.

which, in turn, explains its selection as the personal instrument of many o

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Let It Take You Around The World

# THE AMERICAS /

# **Bullets Hit** The White House for A 2d Time

By Toni Locy and Rajiv Chandrasekaran Washington Fost Service

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WASHINGTON — For the second time in two months, shots have been fired toward the White House, according to the Secret Service.

Four 9mm hullets were found on the grounds Saturday, including, sources said, one on a first-floor balcony below the president's family quarters and another that penetrated a window of the State Dining Room on the first floor.

No one was injured, and au-thorities had neither suspects nor an explanation.

"We just don't know if it was an unrelated incident or if it was directed at the White House," said Eric Harnischfeger, a Secret Service spokes-

President Bill Clinton, his wife and daughter were home hut were not disturbed or endangered hy the shooting, the Secret Service said.

At 2:05 A.M., members of the service's uniformed division reported hearing four to six shots fired near the White House from the direction of the Ellipse, just south of the White House grounds. Investigators later found the hullets. The other two were found on a roadway near the South Portico and near a tree on the lawn,

It was the third recent breach of White House security. On Oct. 29, Francisco M. Duran, 26, of Colorado, was arrested after authorities said be fired at the White House with a semiautomatic rifle from Penusylvania Avenue. He was charged with attempted assassination after co-workers told the FBI he had said he wanted to "take out" the

president On Sept. 12, Frank E. Corder, 38, of Perry Point, Maryland, crashed a small plane onto the South Lawn of the White House and skidded into the west side of the mansion. He was killed in the crash. White House officials Saturday played down the latest incident and said it would not inter-

rupt Mr. Clinton's schedule.
We are letting the Secret we're trying to diminish its impact," a senior official said.
"The more we react to isolated incidents like this, the more we

Mr. Harnischfeger said investigators had not found any shell casings, normally ejected from most automatic and semiautomatic weapons as bullets are fired. Ballistics tests were being conducted on the recovered builets to determine what

kind of weapon was used. Ammunition this size can be fired from handguns, shoulderstrap weapons such as an Uzi and from some rifles, ballistics experts said. The kind of weapon determines how far a bullet will travel -- and some can

travel miles. Once investigators identify the type of weapon, they will have a better chance of figuring out where the shots came from, Mr. Harnischfeger said. Shortly after the shooting, Secret Service agents, U.S. Park Police officers and District of Columbia religious and Strict of Columbia religiou bia policemen questioned sever-al homeless people who frequent the Ellipse.

### Fourth Patient Of U.S. Dentist Is Dead of AIDS

STUART, Florida — A fourth patient believed to have been infected with AIDS by a Florida dentist has died of the disease, a spokeswoman said

The patient, Barbara Webb, 68, a retired schoolteacher, died Saturday at the Hospice of Martin here. She had been a patient of Dr. David Acer, who died of AIDS complications in

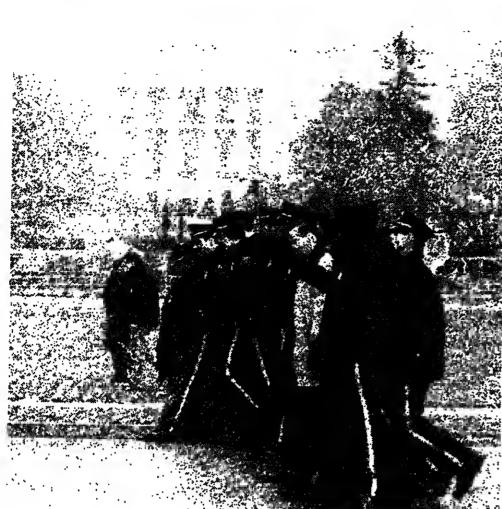
In 1991, Kimberly Bergalis, 23, became the first of Dr. Acer's patients to succumb to the disease. Before her death, Miss Bergalis became an out-spoken advocate of AIDS testing for medical personnel.

Dr. Acer is the only bealth professional in the United States known to have transmitted the buman immunodeficiency virus, which causes AIDS, to patients.

Two other former patients of Dr. Acer known to have been minfected with HIV are still alive.

Pope Is Time's 'Man of Year'

NEW YORK — Time magazine has selected Pope John Paul II as its Man of the Year.



U.S. Park Police searching the area of the Ellipse, behind the White House, after shots were fired at the president's official residence. One bullet penetrated the dining room.

### **Away From Politics**

A Miami prostitute has been found dead in an area where four others have been killed since September. The police said did not know whether the woman was the fifth victim of an unknown killer linked to the other (AP)

Nancy Kissinger, wife of former Secretary of State Henry A. Kissinger, was treated at a hospital for an intestinal ailment. She was in stable condition, a spokeswoman for New York Hospital said. (AP)

Dog search teams found the bodies of two people, both shot in the head, who are suspected of killing a sheriff, the police in Lake City, Colorado, said. The two, believed to be Mark Vredenburg and Ruth Slater, were found under a tree about a mile from where Sheriff Roger Coursey was killed in this town of about 500 in southwest Colorado. "It was either a suicide-suicide or a suicide-homicide," a police official said.

Near Skykomish, Washington, rising temperatures and rain sent tons of snow tumbling across a highway pass, burying four cars and injuring at least nine people.

In Cincinnati, a Ku Khux Klan cross was toppled briefly by protesters 11 hours after it was erected at a downtown square. Six people were arrested and the cross was put back up, police said. No injuries were reported. Members of the Knight Riders of the KKK have a permit that allows the 10-foot wooden cross to stay up through Dec. 27. The U.S. Supreme Court has rejected a request to han the dis-

### By Michael Wines Thus, Mr. Gingrich faced chair, for the first time in their New York Times Service WASHINGTON — Repretwo problems when his orienta-uon began: Experienced Republicans, who spent four decades throwing gravel in the

sentative Newt Gingrich, the next House speaker and newly crowned master tactician, held the 229 other Republican representatives captive in the Capi-tol's House chamber for two relentless days last week, drilling them on parliamentary minunae, whipping them through a number of mock debates, exhorting them with inspirational

T. ... The second second

Ever the strategist, Mr. Gingmajority party.

Representative-elect Sonny

Bono, Republican of Califor-

nia, put it another way.

"This is sort of like taking the show out of town for a while and seeing how it's running." Mr. Bono said as be stood in one of the ornate hallways outside the House during a break in the action.

and you've already practiced

Mr. Bono's analogy is apt. Mr. Gingrich opens on Broadway in three weeks with a show that he is touting as a runaway hit The Georgia Republican has a cast whose sole experience is a 40-year run on the dinnertheater circuit of legislative

politics. He has held only one dress rehearsal, and last week was it. We have an enormous amount of work to do," Mr. Gingrich said after just one ses-

we in the majority have a responsibility now that is much higger than anything we've faced. It's much more challenging than taking control was."

It is not difficult to see why. No Republican now in the House has ever run a national legislature. When the most grizzied among them first showed up, in 1963, House Democrats had already been in power for eight years.

As if that were not complicated enough for him, a full onethird of Mr. Gingrich's new majority have not served in the House, or often in the government, at all.

cogs of Democratic legislation, knew how to slow a political inggernaut but not how to keep

Gingrich Dry Run: Terra Incognita

knew neither. For example: "O.K., say you've got a bunch of voice votes coming up, but you're out with constituents, and they want to take some photos," Steve Stockman of Texas, outrich said the object was to prod fitted in a proper dark suit and Congress's perpetual minority into acting, at long last, like a aide outside the House chamber during a break in one session.

one moving. And fresbmen

You telling me that means we've got to sit in there all day for votes? (The answer: No. Voice votes

are not recorded, so no one will ever know whether a lawmaker sits for them or not.)

"We have to set the agenda now - we have to bring bills to the floor and get them passed," "It's always more familiar said Representative John A when you walk out on the stage Boehner of Ohio, who belped run the proceedings. "We never had to do this stuff as a minority. We just had to anticipate,

react - and lose." Perhaps above all else. Mr. Gingrich does not like to lose. So he summoned them to the House chamber at 8 A.M. Thursday and all but locked them in for the day's proceed-

Every Republican received a newly minted paperback copy of the "Contract With Ameri-

Committee chairmen lectured them on the schedule for enacting the contract's tenets into law. Conservative luminaries - Governor John Engler of Michigan was one - spoke about the need to be bold and maintain momentum.

To drive the point home, Mr. Ginerich and another organizer, Representative Robert S. Walker of Pennsylvania, organized a mock session of the House, designated several vetcran Republicans to be honorary Democrats and instructed them to make a mess of the proceedings as best they could. Then Mr. Walker brought some of the less experienced House Republicans up to the speaker's

Whatever it may do to cut

spending, market competition

has not halted the rise in the

number of uninsured, which is

linked to broader economic

trends. According to federal

surveys, the number of Ameri-

cans living without health in-surance climbed to 39 million in 1993, from 37 million in 1992,

and further increases are ex-

pected this year.

Representative Dehorab Pryce of Ohio, who is starting ber second term in the House, struggled to stop two quasi-Democrats, David Dreier of California and Martin R. Hoke of Ohio, from monopolizing the

"My question," she said later, "was. Do I have to recognize each member in the course of a soliloguy, or what?

careers, to try to straighten things out.

Representative Dehorab

not sure of the answer," she said, adding: "We have to prepare for this, but I'm not sure we know how to prepare for it." A grinning Mr. Gingrich later pronounced it "fun to

> from its purpose. "We won't be perfect on opening day, and the American people will see us make a few mistakes," he said. "But we'll be much better because of this than we would have."

watch," but he did not stray far

### Errant Congressmen Still Feel the Lash

WASHINGTON - It used to be that strong congressional eaders maintained party discipline by punishing errant members, a practice that has been abandoned in this era of independent-minded lawmakers. Or has it? Circumstances surrounding two committee assignments in the House and Senate suggest otherwise.

In the Senate, the Republican leader, Bob Dole of Kansas, who would like to be president, appears to bave blocked Senator Phil Gramm of Texas from securing a coveted seat on the Finance Committee, Mr. Gramm, too, would like to be the party's presidential nominee in 1996.

In the House, the Democratic leader, Richard A. Gephardt of Missouri, last week deposed Representative Charlie Rose of North Carolina, as the top Democrat on the House Administration Committee. Mr. Rose, current chairman of what will be renamed the House Oversight Committee when the 104th Congress convenes next month, challenged Mr. Gephardt in the leadership race.

Aides to Mr. Dole and Mr. Gephardt denied they had exacted what looks like political punishment, old-style.

### Clinton Aides Seek to Boost Legal Fund

WASHINGTON - President Bill Clinton's legal defense fund has collected more than \$500,000 in its first six months, hut his supporters, concerned that the fund will not raise enough money hecause it is barred from active solicitation, are considering setting up a separate organization that would operate under fewer fund-raising restrictions.

The new organization would have no official connection with the president or Hillary Rodham Clinton and would be free to engage in fund-raising activities, such as direct mail solicitations, that are forhidden to the existing Presidential Legal Expense Trust, according to a source familiar with the

"Who knows, especially with Republican control, how many investigations there are going to be, how many lawsuits there are going to be," the source said. "It's a matter of trying to raise enough money in some appropriate fashion."

As the legal hills for the president and Mrs. Clinton mount, the existing fund, the only such mechanism set up hy a sitting president, is to make its first public disclosure next month. when it will reveal how much it has collected, amounts paid out and donor names. Because of controversy surrounding the effort, fund-raising has been sporadic and low-key. Clinton supporters say the fund is caught in a bind. Fund-

raising restrictions imposed by the Office of Government Ethics and a pending lawsuit filed by a conservative legal group have forced it to operate under difficult practical constraints, they say, Abner 2. Mikva, a White 13 ouse coult sel, said the fund-raising restrictions "really meant-there." couldn't be any formal solicitation of any kind. You couldn't do anything to raise funds. It all had to be word-of-mouth.

Critics charge that the legal defense fund is an unsavory and perhaps illegal effort by the Clintons to have their legal hills footed hy others. The president's supporters defend the fund as an unfortunate but necessary and appropriate response to the circumstances in which the Clintons find

### Quote/Unquote:

Donald Berlin, an Alcoholics Anonymous member at the funeral of Teresa Jane McGovern, daughter of former Senator George McGovern who died last week in an accident caused by her alcoholism: "Not all the senators and congressmen before you and after you can legislate a person to sobriety. That power is given only to God."

### Market Forces Bypass Idle Congress on Health Care Run for decades more like a Abramowitz, a market analyst collection of cottage industries with Sanford C. Bernstein & HMOs seek to cut costs by By Erik Eckholm faster than the economy as a curbing tests, surgery, referrals to specialists, and hospital stays New York Times Service whole because of new technologies and the aging of the popu-WASHINGTON - In the than a system that now ac-

two years that Congress wrangled over health care before failing to pass fundamental change, private market forces were acting on their own to transform the country's medical system dramatically.

Cost cutting, intensive com-petition, and the growing role of large, profit-seeking corpora-tions in health care escalated some of the very trends that many members of Congress said they most opposed, like limitations on the choice of doctors. Among the milestones American health care reached without fanfare during 1993 and 1994 were these:

· A majority of privately insured Americans were enrolled in managed-care plans that limthe choice of doctors and treatments; 65 percent of workers at medium and large compa-nies were in such plans by 1994.

For-profit health mainte-

nance organizations, or HMOs, grew so fast that they overtook nonprofit organizations as the dominant force in managed care. Today the majority of all people enrolled in HMOs, the most common and stringent form of managed care, are in plans operated by for-profit

• At least three-fourths of all doctors signed contracts, cover-ing at least some of their patients, to cut their fees and accept oversight of their medical decisions. Among doctors who work in group practices, the share of such managed-care contracts was 89 percent by 1993, up from 56 percent the year before.

just ask the butler...

Theraton Joues When were it to be

counts for one-seventh of the economy, medical care is in-creasingly the domain of big business, offering a rich new playing field for Wall Street.

Mergers and acquisitions of hospitals, clinics, doctor groups with their patient lists, medical laboratories and other patientcare services, have totaled \$20 billion this year, up from just \$6 billion in 1992.

Combined with the \$22 billion in pharmaceutical deals, health-care mergers surpassed in value those of any other in- fine. You still have to produce a dustry for 1994, according to service and monitor and imthe Securities Data Co., a research firm.

But this restructuring has done nothing to ease the plight of the uninsured, whose numbers keep climbing, and it is also raising profound new ques-tions about how quality care and ethics can be guarded.

"There's never been a time in the history of American medicine when the independence and autonomy of medical practitioners was as uncertain as it is now," said Dr. Arnold S. Relman, editor emeritus of the New England Journal of Medicine. "I think that in this process businessmen and their agents will begin to exercise unprecedented control over the al-location of medical resources."

Bul proponents of HMOs say that their brand of medical care, prevention-oriented and centered on a family doctor, is generally better as well as more economical. They say consumers have little to fear. "It's the corporatization of health care," said Kenneth S.

5-1-N-G-A-P-O-R-E

THE REAL PROPERTY OF SELECTION AND THE PROPERTY OF THE PARTY OF THE PA

Co. in New York, who advises health investors. "And what's wrong with that?"

Corporations produce hotel rooms and toothpaste and auto-mobiles, and the country does

Health care is increasingly a rich new playing field for Wall Street.

prove it, for a finite price."

The changes have been driven, above all, hy the desire of those who pay most health bills employers and the government - to curb costs. In response, insurers and HMOs are offering to supply care at reduced, all-inclusive prices, con-fident that they can offer good care and still make a profit.

The national debate over how to revamp health care only speeded up the changes in the marketplace, many experts think, as doctors, bospitals, and investors realized that one way or another, managed care was likely to reign supreme.

they consider unnecessary, as well as hy paying lower fees, pushing prevention, and seeking out efficiencies wherever they can. In regions where HMOs have begun to compete with each other for business, there is evidence that they can bold down overall medical

In California, a bellwether in the transition to managed care. three-fourths of all privately insured patients are now in HMOs, and even one in four elderly Medicare patients have joined them, said Albert Lowey-Ball, a consultant in Sacramento. In the most recent sign of savings, larger employers in the state, in negotiations with fiercely competing HMOs, bave obtained rollbacks in health premiums for next year of up to 10 percent.

Nationwide, health spending slowed considerably over the last two years, though it was still double the general inflation

Whether recent reductions in HMO premiums can be maintained for long is disputed. And over time, many experts believe, health spending will still grow



For Medicine Management of the Premature Infant

And the 1996 King Faisal International Prize

For Science Biology

Invitation To Nominate

The General Secretarial of The King Faisal International Prize is pleased to invite universe ties, scientific societies, research centres, and other learned circles throughout the world to nominate qualified candidates for the above Prize. Nominations will not be accepted from individuals or political parties.

Nominated work must a) he published and original;

b) represent a contribution of the highest distinction in the Prize category; c) benelit mankind and advance scientific

knowledge: d) not have been awarded another international prize. Nominations should include:

a) an official letter of nomination detailing the scientific justification for the nomination: b) a typed CN detailing the nominee's academic

background and experience, and listing all published works:

c) Six (6) copies of each nominated work (no nomination works will be returned): d) three (3) recent colour photos:

e) full contact details. The above information must be received by The King Faisat International Prize no tater than September 1, 1995.

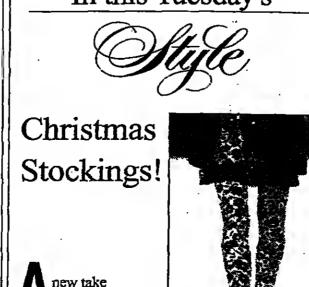
The decision of the Prize's Selection Comminee is final. Winners will be announced in February 1990 and will receive the Prize at an official ceremony later in the year.

Each winner receives: An abstract of his /her winning work, written in Diwani calligraphy and presented in a

 A commemorative 22-carat, 200-gram gold medallion;

SR35IL000 (approximately US\$93.000). Joint winners in any category share the cash prize. Nominations should be sent by registered airmail to:

The General Secretariat The King Faisal International Prize P.O.Box 22476 Riyadh 11495 Saudi Arabia Telephone (966)(1) 465-2255 Fax (966)(1) 465-8685 Telex 404667 PRIZE SJ Cable JAEZAH

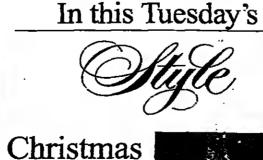


Auction sale at the Palais de Justice of Paris Monday, January 9, 1995 at 2 p.m. - in one lot

APARTMENT

5 main rooms on the 2nd floor. plus parking space and cellar

PARIS 8 Starting price: FF 2,500,000 For information, contact Maître Jacques S. BOEDELS, Cabinet ARMAND, BOEDELS & Associates, 38 avenue Hoche, Paris 8, Tel. 11 42 25 87 87 - Maître Joseph WEISZ, Lawyer in Paris 15, 130 Avenue de Suffren - or the bailiff at the TGI of Paris. On site visits December 21 from 3 p.m. to 5 p.m.



new take on legs.



Herald Tribune

# **AMERICAN TOPICS**

### **High-Tech Tools for Police** Will 'See Through' Clothes

Policemen could soon be carrying electromagnetic wave imagers that detect guns concealed under clothing and chemical tracers that sniff through walls to find hidden bullets. Researchers say such technology has already been devel-

David Boyd, director of science and technology for the National Institute of Justice, says it is high time the police went high-tech. He says that state and local policemen, who handle 95 percent of criminal cases, "are still equipped like Wyatt Earp in the late 19th century." Civil libertarians, however, warn that high-tech cops could trample on consti-

tutional rights if care is not taken in weapons detection. Among the new tools that could soon be available to the police are passive millimeter wave imagers. They can reveal both metallic and nonmetallic weapons, plastic explosives, drugs and other contraband concealed under clothing at a

distance of 50 feet (about 15 meters). To find weapons and ammunition hidden inside buildings, high-tech cops could use a chemical analyzer to sniff out an "odorant vapor."

Similar vapors are now added to natural gas so its presence can be easily detected. Congress, however, would probably have to pass legislation requiring manufacturers to add such an odorant to guns and bullets.

### **Short Takes**

What is it like to teach a classroom full of 8-year-old children? "Imagine giving a child's birthday party five days a week, says. The Washington Post, and the picture begins to take shape.

For the typical young teacher, managing two dozen third-graders "often feels like glorified baby-sitting." She "often finds herself wiping noses and breaking up fights. By day's end, she often feels fortunate not to dissolve into a primal

For "though there are no hard statistics to back this up," The Post says, "many educators believe the never-ending struggle for classroom order has been the single most important cause of teacher dropouts."

Giving a magazine subscription for Christmas? The Washington Post advises: "Avoid gift subscriptions. They may save you a few hucks, but next year, you'll receive the renewal notice, and find yourself in an awkward spot." Instead, "just buy the latest issue and, before wrapping it, send in one of the normal subscription cards in the recipient's name, enclosing your own check."

Keep in mind that "a wrapped magazine under the tree instantly gives itself away. Put it in a shoe box or some other camouflage."

Cigars, long in decline, are making a comeback. At its current pace, this year's cigar sales should top 1993 sales by 6 percent, the first annual increase since 1970, a spokesman for the Cigar Association of America in Washington said. Americans spent \$720 million on cigars in 1993. The spokesman said the turnaround has been helped by Cigar Aficionado, a glossy quarterly devoted to premium cigars. The fad may be fueled by its popularity among celebrities. In addition to long-time smokers like George Burns and Bill Cosby, a younger crop of cigar enthusiasts includes Sylvester Stallone, Patrick Swayze, Johnny Depp and Matt Dillon. Anti-smoking activists are not amused. "Smoking is harmful," said a spokesman for the American Heart Association.

The California Way of Life: The State Farm Insurance agent in Newhall, California, is appropriately named Jim Posthumus, the Los Angeles Times re-ports.... The Times likewise notes that Hankook Elementary School, a Korean educational institution in Los Angeles, is appropriately situated in the Hancock Park area... Wolcott's stationery store on Spring Street in Los Angeles is adver-tising "40 Percent Off on All 1994 Calen-

International Herald Tribune.

# BATTLE: 50 Years Later, Remembering the Bitter Fighting at Bastogne

### Continued from Page 1

land. Germany in six weeks of fighting lost 120,000 soldiers, some 1,600 aircraft and virtually all remaining armored reserves. Four months after the Bulge, Hitler was dead and the Third Reich had surrendered.

Over the weekend, it was a time for contemplation and commemoration where 50 years ago there was only death and misery. Several bundred American veterans returned to Bastogue on Friday for a memorial opposed by his senior military service and a parade. On Satur- commanders, who correctly day, they honored the fallen at recognized that the loss of 3.8 the U.S. military cemetery in

Continued from Page 1

speeches remain in wide circu-

lation - part of a clandestine

media campaign that the gov-

known Saudi intellectual said of

the ruling family he still claims to support. "King Fahd is like riero mading while Rome burns. Even some of the princes

are upset. It's bad. The situa-

Saudi leaders acknowledge

the sour public mood but assert

that once the country adjusts to

living within its means, the

years," said a member of the

royal family who spoke on con-

dition of anonymity.

Officials assert that doom

sayers fixated on the country's

current cash crisis have ignored

the economy's underlying strengths, which include a quar-

ter or more of the world's

known oil reserves and a highly

That view is shared by West-

ern governments, which take a hard-eyed view of Saudi Ara-

bia's importance as an oil sup-

plier and consumer of cars,

planes and advanced weaponry

for us," a Western diplomat said. "What we want is a stable

country and a good market.

And it's a pro-Western country.

I would imagine that any

like a country in economic dis-

Saudi Arabia hardly looks

In the coastal city of Jiddah,

families crowd the Train Lake

amusement park, where men sit

boats in an artificial lagoon.

Gaudy new villas sprout from

the desert north of town, while

at Al Basateen Mall, teenage

girls in head scarves and shape-

fashions from Benetton.

less black robes ogle the latest division.

change would be bad."

Middle East peace process.

as well as a supporter of the

"The present system is good

developed infrastructure,

"We have been spoiled for 20 Tales of royal

tion is very critical."

grumbling will fade.

"They're oblivious," a well-

ernment is powerless to stop.

Joulwan, NATO's supreme commander, told them during a ern front paused to regroup af-sleet-spattered ceremony on a ter their sweeping breakout tured. But 33 English-speaking hill overlooking Bastogne. "We from Normandy in July 1944, saboteurs, driving captured will not forget you. You have given Europe 50 Christmases in

And for 50 Christmases the men who came back here for the weekend have been thinking about what happened.

A German attack through the Ardennes was Hitler's brainstorm, born of desperation and million soldiers in five years of fighting had rendered Germany "We will be worthy of your sacrifice," General George A. fighting had rendered Germany too feeble to sustain a major offensive.

SAUDIS: Discontent Over Royal Family and Economy

at a reported 20 percent a year.

veloped countries, the govern-

ment still spends lavishly on so-

cial programs, providing its

population with free health care

and education, including sti-

pends for university students of

\$226 to \$266 a month; engi-

dized, costs 21 cents a gallon.

With the decline in oil prices,

per capita income has plunged

from \$17,000 in 1981 to \$6,975

high-handedness

in 1993 in constant dollars, ac-

cording to Western economists.

ing, and taxes, once unthink-

college graduates are uncon-ployed. "I was looking for four

years," said Mahadi Amro. 24.

now enrolled in a job-training program at the Jiddah Chamber

Public services are starting to

fray. Delays in securing power

hookups have stalled construc-tion projects. Health care is suf-

fering, exemplified by a physician's complaint that there were

no painkillers in the rural hospi-

tal where he worked last year.

As competition intensifies for a shrinking economic pie,

businessmen gripe that some princes use their influence to

grab government contracts and muscle in on successful enter-

Many Saudis complain bit-

terly of royal privileges, such as

the separate "royal terminal" at the Jiddah airport and the na-

tional airline's "royal services"

Tales of royal high-handed-

ahle here, are in the wind.

Public services are deteriorat-

Up to 25 percent of recent

abound.

of Commerce.

in lacquered wooden booths prises - including the importa-

puffing on water pipes while tion of satellite dishes, which children maneuver electric technically are illegal here.

In the capital, Riyadh, the ness abound. A Saudi banker

country's largest Mercedes and an American businessman

dealership has just opened a new showroom, where a manager reports sales of 37 cars in the national airline to make room

consumption has been growing called that when his vehicle to the physician,

But the economic pain is real.

By the standards of most de-

Americans in the south. If German forces could seize the key port at Antwerp, pinning the British against the North Sea in

a second Dunkirk, the western Allies might consider a separate

defenders. German commandos infiltrated behind the lines with checkered results. Most of the paratroops dropped near

splashed a royal family member during a rare rainstorm last

year, he was forced under threat

of police involvement to make a

Middle-class disenchantment

principles on which the country

was founded. Uncharacteristi-

cally for a paternalistic regime

that traditionally has preferred

persuasion to repression, the

government has cracked down

hard on the dissidents, arresting between 400 and 500 since last

Rights Watch/Middle East.

ing, according to Human

The campaign intensified in

September, when police arrest-

ed two prominent religions

leaders, Safar Hawali and Sal-

man Audeh, both of whom al-ready had been stripped of their academic posts and ordered to

stop speaking in public. Following Mr. Audeh's arrest, dis-

sidents claimed that more than

1,000 of his followers had also

been rounded up, forcing the

government into a rare public

admission of internal unrest.

Official statements put the ar-rest figure at around 150.

Although government spokesmen have dismissed the

clerics and their followers as

fringe figures, their ranks in-clude a number of prominent

jurists and academics, many

educated in the West. Some

have continued their anti-gov-

ernment activities in London,

under the banner of the Com-

mittee for the Defense of Legiti-

While the group has been linked to extremist views on Is-

rael, women and religious mi-

norities, interviews with sympa-

thizers inside Saudi Arabia

suggest that it is not as far out-side the mainstream as the gov-

ernment would like to think.

mate Rights.

10 years old.

neering students get the higher critics, who accuse Saudi lead-figure. Gasoline, heavily subsiters of betraving the Islamic

Within 30 hours, troops from tacking on a 30-mile front, cut off and captured 9,000 U.S. solformal apology. The prince was ball-bearing factory in Liege on has played into the hands of the. government's fundamentalist attack pushed to within four

> Allied territory. Bradley at Verdun on Dec. 19.

sharp left turn with his 3rd Army and hit Marshal von Rundstedt in the flanks from the south.

troops in the Ardennes stiffened. The 99th Division, having

T. R. Reid of The Washington his divisions around, U.S. fought with savage tenacity along Elsenborn Ridge. The they still did not know what 101st Airborne, rushed to Bashapened to the OH-58 helisheets for camouflage, was sur-rounded in a pocket barely five rea's state-run radio originally miles in diameter. Asked to sur-said the belicopter had been U.S. commander, Brigadier but has not repeated the asser-General Anthony T. McAuliffe, famonsly replied, "Nuts!" The officials said talks on the Asked to elaborate, the Ameri-

the German tanks began to run rea right now. out of fuel. On Dec. 23, thick More than i clouds and low-lying fog that passed since the nation's selfhad draped the Ardennes for a week finally lifted. Hundreds of Sung died. But no successor as American fighters and bombers head of state bas been named. swarmed over the German for- The dictator's son, Kim Jong II,

Everybody here is an Islamist," said one of them, an American-educated engineer. "It's battle lines were finally re- enough to take power. just a question of who wants to stored. St. Vith was not recap-tured until Jan. 23. But the Ger-curred in 1977, when the North do something about it."
Mr. Audeh, a skillful orator. mans had shot their bolt. A shot down a U.S. Army Chioften identified as the dissinew American offensive was nook helicopter, killing three of dents' spiritual leader. Tapes of launched Jan. 29, one that four crewmen. In that case, the his speeches are still popular would carry the liberators bodies of the dead and the surlast month alone. Electricity for a prince. An expatriate re- and readily available, according across Germany and into vivor were released through Czechoslovakia.

But as the Allies on the west- Belle Croix to disrupt commuand sowing panic.

Atrocities became commonplace, On Dec. 17, a German SS unit machine-gunned 72 captured American soldiers in Malpeace.

The offensive opened at 5:30

A.M. on Dec. 16, 1944, with an artillery barrage. Approximate-ing for revenge, U.S. troops shot and killed 21 Germans Red Cross flag at Chenogne, according to the historian Martin Gilbert.

the 6th Panzer Army were at St. Vith. The 5th Panzer Army, atdiers from the 106th Infantry Division, a mass surrender second only to Bataan in American history. Sixteen new German jets, flying the first jet aircraft attack mission ever, hit railroad targets in the Ardennes and a Dec. 24. The spearhead of the miles of the Meuse River, 60 ers of betraying the Islamic miles deep into what had been

> The German commander, Field Marshal Gerd von Rundstedt, recognizing that his forces were overstretched, wanted to collect his winnings and withdraw after a week of fighting. Hitler refused. Meanwhile, General Eisenhower had met with Generals Patton and In disaster lay opportunity, and the supreme commander ordered General Patton to make a

> As General Patton wheeled been in the line only a month,

cans added, "Go to hell."

accept painful revisions to an internationally brokered peace plan that Washington has said was the final deal for Bosnia. Bosnia's Muslims have accepted the plan, while the Serbs have rejected it.
Mr. Carter's visit, expected to

Arrival in Bosnia

Continued from Page 1

**CARTER:** 

end Tuesday, unfolds against a backdrop of an international community increasingly exhausted by the 32-month war and its inability to stop it. Some 250,000 people have died; more than I million have been hounded from their homes. In addition, the war has strained the North Atlantic Treaty Organization alliance and threatened relations between the United States and Russia.

The UN went in to settle the conflict but now stumbles from crisis to crisis and is routinely brought to its knees by the beiligerence of the Bosnian Serbs and its unwillingness to get

tough with them.
U.S. officials said Sunday that within the space of several hours Saturday their instructions on bow to handle Mr. Carter's visit changed from passive cooperation to active support - a sign that some agreement was reached with Mr. Carter during meetings in the United

Somebody is throwing dice in the White House, and we're all a little shocked," one official said. "We can't see what good can come of this."

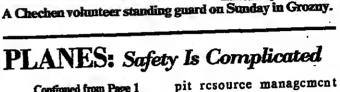
The official and other Ameri-Hitler hoped to slice between American vehicles, caused hav-the British in the north and the oc by blowing np fortifications cans said they believed the main victor of the mission would be Mr. Karadzic, whom the U.S. government has sought to isolate since his forces rejected the latest peace plan in August. By medy. A dozen who escaped hid luring a former president, Mr. Karadzic would garner great diplomatic mileage as well as an unparalleled level of international recognition, they said.

"Is this the way we make foreign policy?" one official asked.
"By letting a man all of us call a war criminal call up a former president and try to cut some type of deal? It's both crazy and dangerous." The State Department has alleged that Mr. Karadzic is a war criminal.

Such concerns were raised today by Haris Silajdzic, Bosnia's a chain can be reduced, they prime minister, who met Mr. Carter in Zagreb, Croatia. We hope that his visit is ex-

actly to underline the fact that they cannot hope to once again undermine the peace plan," he

Mr. Silaidzic and President Alija Izetbegovic of Bosnia, who met Mr. Carter in Sarajevo, also voiced concerns that the Bosnian Serbs were using the visit as a ploy to distract attention from the the north-



were installed and pilots were trained to handle the problem. Before 1987, wind shear was considered a cause in about two accidents a year. "We've taken care of the easy

ones," said Clinton V. Oster, an Indiana University professor who is co-author of "Why Airplanes Crash" (Oxford University Press, 1992). As a result, the causes of

Confinued from Page 1

crashes have become increasingly less obvious, leading safety experts to analyze accidents more as chains of events. If the likelihood that each link in such say, the chance of an accident will drop significantly. To reduce one such risk, air-

lines are trying to improve the way pilots communicate in the cockpit; flight crews have been found to be the primary cause in almost 75 percent of jet crashes since 1959, says Boeing. Historically, the decisions

and the actions of a captain piloting a jet were not ques- already very safe. tioned by a co-pilot. But as more accidents occurred that western Bihac pocket, where could have been prevented if Serbian troops were reported to crew members had checked be advancing on the Muslim- each other's work and commuled Bosnian Army's 5th Corps. nicated more, the study of cock- have to ban flying."

evolved.

So now, in annual training sessions at Northwest Airlines, for example, pilots and co-pilots are videotaped as they han-dle simulated crises, and later they discuss with a trainer how well they worked together to resolve the problem.

Such training is part of a broader area of study in aviation safety that focuses on human factors - not only what went wrong and why, but also whether training, technology or procedures should be modified to reduce the risk of an accident's occurring again.

Of course, each improvement carries a price, and airlines have long been under financial pressure; U.S. airlines lost \$12.8 hillion in the last four years. While aviation officials gen-

erally do not oppose any measures that will improve safety, they also note that safety is a matter of relative risks and trade-offs in a system that is

"If the public absolutely demands that flying be totally safe," said Stuart Matthews, president of the Flight Safety Foundation, "you are going to

pare bunkers, booby traps and redoubts. Nor does he want to have up to 40,000 troops standing around, targets for anyone with a rifle, throughout a Russian winter. There have already been some spectacular cases of dissent and insubordination among army officers who are not trained for police actions and who do not want to be fighting on Russian territory. Opinion polls show that most Russians do not favor the send-

Gemous Police

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27

71.

former Con

ing of troops into Chechnya. In Parliament, Mr. Yeltsin's actions have been sharply criticized by liberal democrats and Communists, though he has found support from the extreme nationalist Vladimir V. Zhirinovsky and from the liberal economist Boris G. Fyodorov.

RUSSIA:

Troops Advance

Continued from Page 1

the same: "The recognition that

the Chechen republic is an inte-gral part of the Russian federa-

tion and that all unlawful

armed forces should be dis-

armed." Mr. Dudayev's latest

telegram evidently promised nothing more than talks.

By only specifying Mr. Du-dayev's "participation" in the

document, rather than his sig-

nature, Mr. Yeltsin appeared to

be offering the Chechen leader a form of fig leaf. Mr. Dudayev,

as Chechan president, might

object to signing with lower-

ranking Russian officials. Na

kolai Yegorov, Mr. Yeltsin's

representative for Checkinya,

and Sergei Stepashin, director

of the Federal Counterintelli-

gence Service, are in Mozdok

But Mr. Dudayev'a problem

may be that in the proud culture

of Chechnya, his agreement

would be perceived as capitula-

tion on the issue of indepen-

dence, which he has vowed to

Still, Mr. Yeltsin would be

very relieved not to have to send

troops into Grozny, a city of

400,000 people, where Chechen fighters have had time to pre-

die defending.

Former Prime Minister Yegor T. Gaidar sent a telegram to Mr. Yeltsin on Sunday urging him not to escalate military activity.

In Grozny, Sergei Kovalev, head of the Russian government's human-rights commission, also sent a telegram to Mr. Yeltsin urging him "to go all the way to find a negotiated settlement" and "avoid further casualties."

Earlier on Sunday, there was scattered fighting around Grozny and near the border with Ingushetia. Just after midnight Sunday morning, Russian planes dropped bombs on Shali airport and used heavy artillery and rockets to hit Chechen armored columns and ammunition depots on the southeastern edge of Grozny, Russian officials said."

During the day, the officials said, close to the village of Assinskaya, near the Ingush border to the west, "a large detach-ment" of Chechen fighters equipped with tanks, artiliery and multiple-rocket launchers, attacked a regiment of Russian troops. "In a retaliatory strike." the government press office claimed, "the grouping was de-stroyed."

Mr. Yegorov's spokesman also reported air strikes and artillery barrages against Chechen command posts in the eastern suburbs of Grozny and against five bridges over the Terek River, but Chechen officials denied any such attacks.

# KOREA: U.S. Pilot Killed in Downing of Helicopter

Saturday for a two-day visit to examine the human-rights situation there.

"Our thoughts and prayers are with the families of both of these dedicated aviators," Mr. Clinton said.

T. R. Reid of The Washington Post reported from Seoul:

togne when the offensive began copter that went down north of render on Dec. 22, the besieged shot down "with a single shot."

The officials said talks on the issue were hampered because nobody knows who holds the Still 70 miles from Antwerp, ultimate authority in North Ko-

More than five months have styled "Great Leader," Kim II had seemed to be heir-apparent, The fighting would drag on hut Pyongyang-watchers be-for weeks before the original lieve he may not be healthy lieve he may not be healthy

Panmunjon two days later.

The U.S. position has been to fused. Maybe there was too admit that the army pilots en- much snow up there to see the tered North Korean airspace, presumably because of a navi-

gational error. "This U.S. helicopter is on the ground in North Korea, so there's no question these guys went where they were not sup-posed to go," a U.S. official said. "We don't know why they did, or why the plane went

An American military official in Seoul said: "It looks most like these guys got conusual landmarks. "Anyway, the basic rule for

chopper pilots is, If you're lost, land. That way, you can check out your landmarks, figure out where you are. And if these guys followed that procedure, they all of a sudden found themselves in a North Korean town."

The helicopter was on a standard reconnaissance flight along the border, American officials said.

# TAXES: Spending Cuts Come First, Republicans Vow

we pass the tax proposal, all of gram "This Week With David Brinkley."

Democratic lawmakers disissed Republican assurances officials have attacked the prothat they would match cuts in taxes and in spending.
"The Republicans have yet to

going to need to make this con-

Mr. Archer, acknowledging that bringing the budget into balance would not be easy, said

Republicans claim the measure will stimulate investment, boost the growth rate of the that Republicans might have to economy by one percentage accept some limits on one of the point or more and generate 2.7

Continued from Page 1 America's costliest provisions: with the spending cuts, then as a proposal to put into effect a we pass the tax proposal, all of "neutral cost recovery system," which we intend to pass before that would change corporate April 15, we will spend out of that savings account," Mr. Armey said on the ABC News proinvestment in factories and equipment in the later years of those investments' life. But Clinton administration

vision as a giant revenue loser over the longer term. According to an estimate issued by the come forward with cuts they're Treasury Department last week, the neutral cost recovery tract work," said the House system would result in a net loss Democratic leader, Richard A. in government revenues of Democratic leader, Richard A. in government revenues of Gephardt of Missouri, on ABC. \$169.5 billion.

costliest of the Contract With million additional jobs.

Asked about the proposal, Mr. Archer said, "We may have to trim that in such a way that when we get the official scor-ing" from the Joint Committee on Taxation — the bipartisan panel that estimates the revenue effects of legislation — "that we can live with it."

Republicans insist that the current government accounting conventions understate the extent to which tax cuts spur economic growth and should be replaced with more "dynamic" forms of measurement. The Republicans promised to

work with President Bill Clinton, who proposed tax cuts of his own Friday, in rolling back the size of government — although they stopped short of endorsing the specifics of the "middle-class hill of rights" Mr. Clinton unveiled.

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Polls Give Them 42% of Vote, But Coalition May Be Needed

SOFIA — The Bulgarian Socialist Party of former Communists was leading Sunday in the country's third general election since 1989, preliminary voting forecasts showed.

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Estimates from five pollsters gave the Socialists between 42 percent and 44 percent of the vote and the Union of Democratic Forces between 23 per-cent and 26 percent.

Three or four smaller parties were expected to exceed the 4 percent limit needed for seats, leaving the future shape of Parliament unclear.

According to some forecasts, the Socialists would be able to form a government on their own while others indicated that they would only be able to rule in a coalition.

Osman Oktai from the mainly ethnie Turkish Movement for Rights and Freedoms that held the balance of power in the previous Parliament but now favors the Democrats, cast doubt on the results but said a Socialist lead had been expected.

He said that he hoped that the Socialists would not be able to form a majority in Parliament. "I think that the democratic forces together will have more," said Mr. Oktai, deputy president of the party.

The Turkish Movement was one of the three parties with an estimated showing at or above the 4 percent mark. The others are the anti-Communist People's Union and the Bulgarian

ist Party has about 44 percent of the vote, while the Union of Democratic Forces has more than 24 percent," said Miroslav Sevlievski, secretary of the Bulgarian Association for Fair lections and Civil Rights.

Four other polisters, Citizens' Initiative for Free and Democratic Elections, Gallup international, Sova 5 and MBMD gave similar forecasts.

The two main blocs, which have had turns at the helm over the past five years, accuse each other of blocking market reform and allowing street-corner racketeers and big-time Malia gangs to flourish.

A few hours after polling booths opened, the central electoral commission issued a warning to voters not to use fake or old ballot papers after it was discovered that party activ-

ists had been handing them out. The radio said that irregular ballot papers had emerged "in many places" but the commission said there were no major

infringements of the law. Voting was hrisk and there

was some optimism. This time I dropped my hallot in the box full of hope, much more than in 1991 because this time things have reached the edge when we will either disappear or survive," said Elena Dodova, 35, in Sofia.

But interim prime minister Reneta Indzhova was cynical. "I see a tremendous gap between the interests of the people and that which politicians are 'Our preliminary results doing for them," she said as she



### show that the Bulgarian Social-voted in a suburb of the capital. President Zhelyn Zhelev leaving a voting booth in Sofia on Sunday.

# German Police Break Up Rightist Bonfire Before It Is Lighted

The Associated Press

BERLIN - Rightist extremists from across Germany converged on a small Bavarian town for a winter solstice bonfire, but the police broke up the holiday gathering before the fire was set, authorities said Sunday.

of Munich, on Saturday evening came as a newsmagazine reported that the Interior Ministry plans to ban four more neo-

Last-minute information led police to

a tavern in Marzling where the roughly federal authorities plan to add to their Reuters reported from Bonn on Sunday, guise of a record company Christmas party, authorities said.

The police were thus able to prevent the extremists from moving to a clearing in the woods where logs had been The police action in Marzling, north stacked 3 meters high for a bonfire. No arrests were made, and the police did not make public any names.

Gatherines by members of banned

160 rightists had gathered under the list of banned neo-Nazi organizations quoting the police. the German Nationalists; Assistance Organization for National Political Prisoners and their Relatives; Direct Action-Central Germany, and the Nation-

Democratic Party's Youth The Interior Ministry refused to com-

ment on the report. Arsonists Strike at Hostel

A woman and two children suffered slight injuries from inhaling smoke, hut the other nine residents were unharmed. The fire was in the town of Rosenthal, between the Dutch border and the city of Münster.

The police said they had no suspects. Refugees seeking political asylum in Germany have often been targets of arneo-Nazi groups are illegal in Germany.

Arsonists set fire to a German hostel son attacks and other violence by neoDer Spiegel reported, meanwhile, that for refugees from former Yugoslavia, Nazis.

# Q & A: Estonia and the EU

# Looking for Stability and the Middle Ground

Foreign Minister Juri Luik of Estonia began negotiations last week to give his country and the two other Baltic states the same prospect of European Union membership as such countries as Poland and Hungary. He spoke with Tom Buerkle of the International Herald Tribune.

Q. What is the response of Russia about your prospective EU membership, and in particular, have you given any commitments not to seek membership in the Western European Union, the EU's security arm?

A. We haven't given any commitments whatsoever, and I do not see any reasons why EU membership should be contrary to the desires of

As the Russian foreign minister [Andrei V. Kozyrev] has pointed out on many oc-casions, EU membership of the neighboring states of Russia would create stability and increase trade and economic activities in general in the region, so Russia is certainly one of the countries that should benefit very actively from that kind of coopera-

Q. Do you think WEU and North Atlantic Treaty membership will come sometime after the economic membership in the European Union? A. It's one of the possibilities. We don't use the term

NATO expansion because we think the word expansion itself is completely wrong. We're not talking about expansion. NATO as such is not

very interested in expanding to the East. We are talking about the decisions of sovereign gov-

ernments to seek their security arrangements. I think it's clear that countries who have more common

values, more common ideas and economic links seek closer relations than others. Europe is too hig to have it all connected to one organi-

Q. Is there a greater degree of concern in Estonia today about developments in Rusnership for Peace and the hard line President Boris N. Yelstin has taken toward NATO enlargement?

A. Our relationship with Russia has always been rather volatile, from better to worse and worse to better. So we are

'Our relationship with Russia has always been rather volatile, from better to worse and worse to better. So we are not very surprised at sudden changes. They are probably connected to the

not very surprised at these sudden changes.

internal political

situation in

Russia.'

They are probably con-nected to the internal political situation in Russia.

I think Mr. Kozyrev will eventually sign the Partnership for Peace program. The simple reason is that Russia wants to be part of the organization where something is decided, and where Europe's future is designed.

I think Mr. Kozyrev cannot afford to leave himself out of the Partnership pro-

Q. What's the state of the conomy now in your country? How prepared is Estonia to accept the rigors of Europe's single market?

A. Well, I think Estonia is a rather unique country bezation, as the CSCE has provcause we have picked a radical way to economic growth and to economie success, in terms of maintaining a stable currency and a balanced budget, which is very difficult in these times when the state is sia after the rejection of Part- growing and is having its rebirth and everything from the army to the pensioners needs

money.
The predicted growth of the Estonian economy this year is 4 percent. Inflation is down. Unemployment is low. We are proceeding in a good

And of course it's important to say also that Estonia is one of the few countries in Europe, perhaps one of the few countries in the world, that does not exercise trade

Q. What's the vision of the European Union you would

A. I think all Central European countries are interested in some kind of middle ground.

From one side it's clear that the larger organization we are talking of where Central European countries are members cannot be a federalist state.

At the same time, we value very greatly a common foreign and security policy and are determined to find a consensus on the most difficult issues here, and also the common financial and economic policy.

Q. What kind of role should Estonia and the other Eastern countries have in the EU's 1996 review conference to prepare itself for your membership?

A. It's very important that the association countries be actively involved in the preparation of the intergovernmental conference doeuments.

The document which the Essen summit has asked the commission to work out the financial and practical implications of the enlargement - we should be very careful with this document because it's easy to prove financially that the enlargement is not profitable, that the enlargement is too complicated,

We should keep in mind the wider goal. The advan-tages of stability, avoiding cold wars and hot conflicts, increasing the wealthy markets in the East - perhaps it's very hard even to count them in the methods we use at the

# **Agents Credit Fake Bank's Role in Sting**

By Michael Janofsky

New York Times Service WASHINGTON — Federal authorities say that a fake bank they created in the Caribbean crippled major money-laundering schemes used by the Cali drug cartel of Colombia and organized crime groups in

As the first financial institution ever created and operated by federal agencies in a criminal investigation, the bank prodnced what the American and Italian authorities said was the strongest evidence yet of direct financial links between the cartel and Italian groups that distributed its drues.

The ploy allowed the authorities to seize almost \$40 million in cash as well as paintings by Picasso and Rubens.

So far, more than 90 people have been arrested The two-year investigation was begun

by the Drug Enforcement Administration and ultimately involved the Internal Revenue Service, the FBI and law-enforcement agencies in four states and four other countries. The bank operated for six months as the final stage of the investigation and was closed down this month, to avert suspicion.

Thomas Constantine, the administrator of the agency, said Friday that the suspects arrested included 60 Americans and Pasquale Locatelli, an Italian who was described as the head of a major criminal

Mr. Locatelli, who escaped from a French jail by helicopter in a wild shootout five years ago, was captured three months ago in Spain.

More arrests are expected, Mr. Constan-For the last several years, law enforcement agencies have been piecing together the relationship between the cartel and

organized crime in Italy. Officials involved in the latest investigation, Operation Dinero, said they had documented the cartel's transactions with two Italian crime groups after they created a private bank licensed on Anguilla, a British territory in the Caribbean, in an effort to attract drug traffickers to convert

The bank, which was actually run out of the drug agency's Atlanta office, enabled authorities in the United States, France, Italy, Canada and Spain to identify not only traffickers in Colombia but people the traffickers used around the world to broker their deals, collect their money and deliver their products.

their assets.

In addition to the arrests, Mr. Constantine said, the authorities seized nine tons of cocaine and \$52 million in assets, including \$39 million in cash and three paintings that a trafficker had instructed bank "officials" to sell for a minimum of \$10 million.

The paintings, which were confiscated tomers.

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organization operating across Europe and Wednesday night at Miami International Airport after a courier brought them from Colombia, included a 1904 watercolor, "Head of the Beggar," by Picasso from his blue period; a painting of St. Paul by

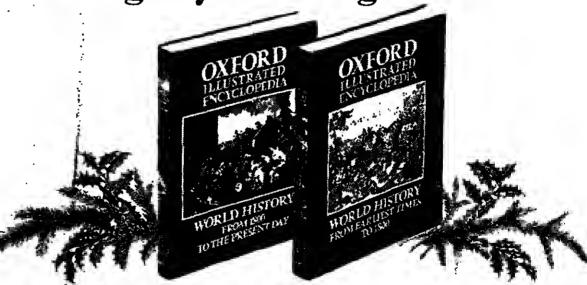
Rubens, and a portrait by the English artist Sir Joshua Reynolds.
"We are most proud of the fact we could probe the underground economy of drug traffickers," said William Malarney, a drug agent who worked on the operation. We were able to get into their boardrooms and see what was happening with their financial transactions. They have spent years establishing corporations and

boilerplates to protect their wealth from its true source, narcotics trafficking." The idea to create a bank to attract profits from drug dealers came from a casual conversation with an informer several years ago, Mr. Malarney said. By that time, American undercover agents had be-gun infiltrating drug trafficking networks by providing money pickup services for the

But the informer told the agents that what the Colombians really needed was the convenience and respectability of a bank to handle their profits or to exchange

With help from the British government, American agents picked Anguilla as the fake bank's headquarters because of the island's laws protecting the identity of cus-

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# **Turkish Predicament**

sources and put at risk its cohesion, democracy and reputation in battle against a small armed minority Kurdish separatist movement. But to the American government and other friends of Turkey, it becomes a matter of great political and strategie worry to see a friendly, democratic and allied country, already strained by other cares, further exhausting itself in struggle with the Kurds.

The latest episode is sobering. For what most Western democracies regard as political offenses, a government, which has ceded authority on this broad issue to a nationalistic military, arrested eight members of Parliament on charges of aiding and abetting the illegal terrorist guerrilla force known as the PKK. Although treason charges carrying a death penalty were dropped, the eight were convicted and sentenced to prison for up to 15 years. The authorities proceeded despite public protests from Turkey's closest foreign friends, despite the country's internal uneasiness and international isolation and despite possible delay in its access to the European customs union.

Of course, it is easy for Turkey's friends, from the comfort of their distance from its agony, to issue advice about the appeal of

It is the right of the elected government of Turkey to spend the country's refor the Kurds, cultural privileges in language and education and so on. The Turkish authorities, often feeling misunderstood and put upon, set that advice against the imperatives of sovereignty and against the revulsion generated by a guerrilla force that, competent observers suggest, is even more brutal (although not nearly so numerous and powerful) as the army that opposes it.

Yet unwelcome as the message must be, it is the right message. Prime Minister Tansu Ciller's struggling government in Ankara hadly needs to work its way back to the search for conciliation that was being conducted by President Turgut Ozal at the time of his death only

two years ago.

No one should underestimate the political and operational traps of a strategy meant to pry the more moderate civilian Kurds, like those just convicted, from guerrillas wedded to extremism in means and end. But neither should anyone underestimate the damage that an unrelieved hard line will do to Turkey - and to the great interest that anxious Americans and others have in the stability and good sense of a major regional partner and friend in trouble.

- THE WASHINGTON POST.

# Republicans and Korea

Senator Frank Murkowski has come back from North Korea a convert. Before his trip to Pyongyang, he seemed ready to block the necessary funding for the painfully constructed deal under which North Korea agreed to freeze and then dismantle its nuclear program. Now the Alaska Republican, who will head the Senate subcommittee on East Asia, says that meeting the North's needs could lead to a nuclear-free Korea.

That is a welcome change. Mr. Murkowski and his fellow Republicans have made a sport of questioning the administration's nuclear diplomacy with North Korea, He and friends apparently be-lieved that by showing skepticism now, they would wind up on the high ground if Pyongyang ever reneged on the deal.

Shortsightedly, even dangerously, some Republicans still want to deny the money necessary to underwrite the arrangement. That would make the Republican Party responsible not only for sabotaging the agreement but also for antagonizing two allies, Japan and South Korea, who favor a deal, it could even mean that, come 1997, a Republican president would confront a risk of war in Korea. Mr. Murkowski is prudently walking the party

back off that treacherous perch. Under the agreement, Japan and South Korea will bear almost all the costs. The United States, however, is obliged to supply the North with heavy oil for its electrical generators, securely store the North's spent nuclear fuel, which contains five bombs' worth of plutonium, and ready it for eventual removal. The Clinton administration intends to take \$5.5 million from Pentagon funds to pay for the oil, but will have to ask Congress for up to \$10 That freeze represents a triumph for Bill million for storing and eventually removing the fuel rods. That is a pittance to pay for an agreement that would remove a major threat to the world's safety.

Why have the Republicans been so resistant, partisanship aside? The United States, they claim, is conceding a lot before getting anything in return. Not so. The North had to freeze its program first - refrain from refueling its reactor, stop reprocessing spent fuel and halt construction of two new reactors — all of which it has done, according to international inspectors. The United States agreed to supply fuel oil and move toward diplomatic recognition only after Pyongyang had taken those steps.

The Republicans also complain that the deal sets a bad precedent for Iran and other states that want nuclear arms. Again, not so. If Iran were willing to go beyond its obligations under the Nuclear Nonproliferation Treaty, by accepting comparably intrusive inspections and a verifiable ban on reprocessing, a deal with it might be worthwhile, too.

The Republicans raise tougher questions, to which even they have no ready answers. Could North Korea expel the international inspectors and resume its nu-clear program? Yes. Does that mean the United States is still relying on good faith as it did in the past? In a sense, yes, but with one big difference: The North now knows it has a lot to lose by reneging. Shouldn't special inspections of the nuclear waste sites take place now rather than later? Yes, but the North refused.

The Republican Party says it would have held out for a better deal — without quite saying how it would have gotten one. In private, some Republicans concede that insisting on special inspections sooner might have led to confrontation Clinton. At this point, congressional Republicans should stop sowing doubts in the larger interest of global safety

-THE NEW YORK TIMES.

# **Too Much Plutonium**

As part of its effort to halt the spread of nuclear arms, the United States has stopped producing plutonium for military purposes and is seeking a worldwide cutoff of the military production of nuclear material. Yet vastly more plutonium is generated as spent nuclear fuel in civilian power plants. Some of it is being reprocessed for use as fuel for commercial reactors, when in fact lowenriched uranium will do. Plutonium can be used in hombs; its reprocessing needs to be curtailed.

Washington can begin that effort now. It is renegotiating a 1958 agreement with Euratom, the European Union's atomic energy agency, which is due to expire at the end of next year. Under that arrangement, U.S. companies have supplied the Europeans with low-enriched uranium for use in their power plants. Yet Washington has repeatedly waived its own requirements that prohibit the spent fuel generated from that uranium from being reprocessed into plutonium and shipped

to others without U.S. approval. In renegotiating the agreement, the United States is legally bound to insist on its right to consent to any reprocessing or retransfer. Washington is, in fact, prepared to grant that consent in advance for the life of the agreement. It should do so, however, only on the understanding that power plants truly need the plutonium and will not stockpile it. Otherwise, plutonium should remain in the form of spent fuel,

which is not readily usable for bombs. Britain and France are resisting a U.S. right of consent. They are reprocessing the spent fuel for sale to Japanese and German plants. The contracts were negotiated long ago in anticipation of a shortage of nuclear fuel. But the world is now awash in low-enriched uranium, which cannot be used in bombs. The United States, by reserving its right of consent, can try to keep hazardous plutonium from piling up.

-THE NEW YORK TIMES.

### Other Comment

### Force Isn't the Answer

Boris Yeltsin cannot be hlamed for wanting to avoid a showdown with the army. But he can be blamed for not being prepared to risk one, if the army is wrong. And wrong it is, if indeed it is trying to hold the federation together against the wishes of the people of its constituent parts. That is not to say that the Chechens have behaved well or wisely in their bid to break free. If they wish to divorce in haste, they can repent at leisure. For Mr. Yeltsin the important lesson is to understand that democracies cannot be

glued together by force. - The Economist (London).



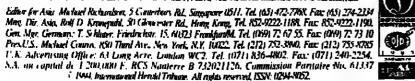
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# INION

PARIS - Doctors Without Borders, the French-founded organization that has helped relieve misery in war-wrecked places for well over a generation, has de-cided to leave Rwandan refugee camps. It was an agonizing decision, a cry of anguish to call attention to the cynical abuse of charitable aid that has made "hostages of the refugees and impotent accomplices of the humanitarian organizations," said the group's monthly journal.

Its president, Philippe Biberson, urges public reflection on "the sense of humanitarian aid." It is an insistent question in

### Bosnians are kept alive to die on a full stomach tomorrow,'

many places, not least in Bosnia, where generous intentions have been made to help prolong and magnify the human distress that they were meant to ease. Lives are saved, but is it only to advance evil purposes, to sustain fear and hatred and

the wars that they are used to promote?

The new idea of the "right of humanitarian interference" was launched by France at the United Nations after the Gulf War, to protect the Kurds of northern Iraq without the traditionally required permission of the state involved. It worked there, be-

dia, Haiti and Iraq.

The most dramatic manifesta-

tion of these new roles is the call

for international military inter-

vention. Five years ago it would have been unthinkable for a hu-

manitarian agency to call for in-

ternational troops to intervene.

NGO personnel argue that

Now it is almost commonplace.

they are faced with a new phe-

nomenon: long-lasting "complex emergencies" caused by war. They applaud the new willingness of the United Nations to disre-

gard national sovereignty in pur-

commercial interest in poor coun-

tries is declining. Their chief con-

cern is increasingly to avoid bad

publicity at home from humani-

tarian crises once these reach the

television screen. Channeling re-

lief funds through NGOs rather

than through host governments is

attractive - it is high-profile,

flexible and short-term, with little

the recent big increase in NGO

relief operations funded by

Western governments are two

Meanwhile, many governments

particularly in Africa — no

longer exercise the same central-

ized authority as before; some

states have even ceased to have

a recognized government. They cannot resist the invasion of the

International telief agencies are not only far larger and more influential than before, they have

In countries like Mozambique

and Cambodia, they may be the chief providers of public welfare,

and among the main sources of

salaried employment and com-

mercial contracting. Even more

expanded their mandate.

Western disengagement and

provision for accountability.

sides of the same coin.

humanitarians.

Western donors' strategic and

suit of bumanitarian ends.

By Flora Lewis

cause the powers made it work, but it has

not solved anything further. Large forces were sent into Somalia, a state whose decomposition brought famine, disease and massacre. Parts of the country are said to be feeding their people again, as the result of intervention. But a new report from the capital, Mogadishu, quotes one resident as saying: "It is as if nobody came. It cost billions, and we see nothing for it."

When word began pouring out of "ethnic cleansing" used as a weapon and a goal in Bosnia's war, the hicid UN high commissioner for refugees, Sadako Ogata, asked in horror: "What are we to do? If we help the people leave, we are accomplice to ethnic cleansing. If we don't, we are accomplice to murder."

All kinds of charitable organizations flocked to help the persecuted and besieged, often at grave risk to their personnel. But they couldn't protect themselves and their supplies from extortion and attack.

The United Nations sent in forces, now 23,000 in Bosnia, to protect the delivery of humanitarian goods and services and then to protect declared "safe havens." It is a misnomer to call them "peacekeepers"; that is not their mission. Although they have suffered nearly 70 killed and hundreds wounded, they succeed only in get-ting convoys and airlifts through, and shelling of cities interrupted, when the attackers acquiesce for their own economic,

political and military purposes.

UN troops now speak bitterly of their "humiliation" when they are not allowed to break barricades or return fire, even to resist being held hostage. Aid has been distributed, Sarajevo survives. But the war goes on. "We are kept alive to die on a full stomach tomorrow" is the disillusioned complaint about what "protection" means.

Billions of dollars have been spent in the past few years on alleviating humanitarian emergencies so that better-off parts of the world can feel they are showing a modicum of compassion. It is eating into the capacity to provide promised aid for longer-term, more fundamental programs to alleviate such needs. The UN Development Program's administrator reports that emergencies, which consumed 25 percent of UN resources in 1988, took 45 percent in 1992.

The president of Doctors Without Borders focuses only on the camps for Rwandans in his appeal for a clearer, more honest, more willful international assessment of how to prevent the perversion of humanitarian action. He says the aid to camps on the Zaire side of the border contributes to "delivering the refugees tied hand and foot to leaders who are determined to continue

Humanitarian Dilemma: Doctors Are Leaving the Camps

murder and spoliation." The leaders, well organized, are the same soldiers, militiamen, prefects and adminis-trators who saw to the genocide of This and opposition Hutu in Rwanda carlier this year. They control distribution of donated supplies, siphoning off very large amounts, using violence and threats, pre-

paring forces for an offensive in Rwanda Dr. Biberson knows that his group's denunciation and withdrawal will not remedy matters. "But contributing to this carolling for civilians by force] with silence empties humanitarian work of its sense." The dilemma, he says, "was not to go or to leave, but to leave usefully in hopes of being heard."

He should be heard, and not only about Rwanda. It is hard to refuse help to victims who sorely need it because persecutors and aggressors turn it to their own ends. But it is too easy to say that responsibility ends with generosity and good intentions.

This is a dilemma that is likely only to increase as turbulence spreads in the world, and as instant communications make it impossible to pretend to ignore great human disasters in distant places. It is a reminder that we have not done very well in giving peace and human decency a chance, and that turning away in indifference still won't give us a chance to forget O Flora Lewis.

# Humanitarian Agencies Attempt Too Much and Achieve Too Little

LONDON — Since the end of the Cold War the roles of international relief organizations By Alex de Waal and Rakiya Omaar significantly, they act as news agencies and diplomats. They have undergone far-reaching changes. Their mandates are far wider. Africa has been the main speak boldly on political issues, setting the international agenda.

In short, relief agencies are extesting ground, but the humanipanding into a void left by the tarian international is worldwide. Nongovernmental organizashrinking power of host governtions (NGOs) are struggling to find new roles in Bosnia, Camboments and the declining political interest of Western powers.

Somalia was a testing ground for NGOs' readiness to accommodate violence. It was the first time that many agencies hired armed guards. NGOs tolerated diversion and extortion and ended up paying hundreds of thou-sands of dollars to factional leaders such as General Mohammed Farrah Aidid. This played a critical role in enabling them to maintain their militias.

The failure of humanitarianism to fill a political vacrum was clear

TN POLITICAL emergencies in

I the 1990s, the enlarged man-

date of operational NGOs in-

cludes primary or even exclusive

responsibility for the delivery of

services such as relief or health care; human rights; conflict reso-lution; publicity, lobbying and advocacy. Increasingly, NGOs'

operations can be characterized

elements of all the above.

be in serious conflict.

on the country.

"multi-mandate," combining

The components of the en-

larged mandate may sometimes

Somalia was abandoned by the

international community, save a

handful of NGOs. These came to

exercise an extraordinarily pow-

erful role in lobbying and advoca-

cy. They were able to monopolize

almost the entire media coverage

of Somalia, and to dictate the terms of the international debate

Every journalist who visited So-

malia stayed with an NGO and

quoted largely from NGO staff. They used relief aircraft to fly in

and out, and NGO satellite com-

munications to file their stories.

During 1991 and early 1992,

in Somalia. It has also been evident in Bosnia - a turning point in the worldwide development of homanitarianism. Failings familiar to Africans cannot be hidden in a country so close to the heart of Europe and with an articulate educated class that has access to international media.

African voices critical of the humanitarian international have rarely been heard. Bosnian voices are harder to silence. The sheer incompetence and waste in the international relief effort have been exposed to all.

One set of humanitarian agencies negotiates with war criminals to allow food convoys to roll, while another set threatens to bring these same people to court. Which should prevail: the "operational neutrality" of relief

How Somalia Became a Media-NGO Circus

This occurred partly because of

the collapse of the Somali govern-

ment and partly because of inter-

national disengagement from So-

malia - the diplomats and UN

personnel simply ran away. The international NGOs which re-

mained played a vital role as the

sole expression of international

solidarity with the Somali people.

This position gave them enormous responsibilities, which for

the most part they exercised well.

But that was fortuitous. With

slightly different people, in slight-

ly different circumstances late in

1992. NGOs in Somalia were often

wildly irresponsible. At the end of

the year, it was the NGOs - spe-

cifically senior officials of CARE

— that played the key role in call-ing for Operation Restore Hope.

By August 1992, much of So-

malia had become a media-NGO

circus, with reporters competing

with one another to uncover the

most hornific stories of starva-

tion, while NGOs felt compelled

The failure of humanitarianism

to fill a political vacuum is more

evident in Somalia than possibly

to compete in their responses.

agencies or the search for justice? Up to now the question has been fudged. This is not just a failure of the United Nations Security Council. The humanitarians have not made up their minds, either.

The dilemmas in Rwanda are stark. The refugee flows out of the country were not the familiar unplanned flight of civilians caught up in a war. To a large extent they were a planned exodus under the political direction of those responsible for the massacre of perhaps a million people, to seek sanctuary from where they could regroup and attack Rwanda again. Among the refugees were the principal killers, well armed and well organized. This has been one of the most flagrant abuses of international relief in modern times.

The extremists who had

At the end of the day, relief

organizations will always make

charitable works their priority,

which means that human rights

concerns will be fudged or jetti-

soned. In the short term, some

people may be fed or treated as a

result - an outcome not to be

despised. But this is at the cost of

addressing more fundamental po-

litical and human rights concerns.

will remain alive under more tol-

erable conditions if bumanitarian

relief is provided in a way consis-

their new role. The first step is to

open up the debate. Rwanda is a good place to start. It is essential

to learn the lessons of the debacle

The relief failures in Bosnia

show how the problem is world-

wide. The United Nations and most of the established NGOs

operating in Bosnia have recreat-

ed donor-recipient relationships

familiar to those who have wit-

nessed their operations in Africa.

Rather than seeing the Bosnian

people as the essential resource to

be mobilized in pursuit of solu-tions to political and humanitar-

ian problems, the organizations

have presented themselves as

controlling authorities, for whom

the Bosnians are either passive

recipients of largesse or trouble-

some obstacles to the smooth op-

eration of the international effort.

The skilled human resources of

Bosnia have been neglected. As

with Africans over many years, the Bosnians have found this sur-

Fortunately, humanitarian

work attracts many people who

are courageous and compassion-

ate. Enough of them can recognize

what is happening and act to pre-

vent the destruction of humanitar-

These edited excerpts are from

"Humanitarianism Unbound," a

ianism from within and without.

prising and humiliating.

of the response to Rwanda.

Relief organizations must find

tent with basic buman rights.

In the long term, more people

mounted the genocide knew that they could rely on the mternational relief community to respond with material assistance. and that there would be few if any efforts to isolate them from the mass of the population. They created a humanitarian disaster that killed thousands of people, and then extorted assistance from re-

hel agencies which they used to consolidate their power.

The debacle of humanitarianism abused in the refugee camps for Rwandans is a striking example of the dangers of humanitarianism unbound. Relief agencies walked straight into the trap, and have ended up feeding a killing machine. Again, humanitarian-ism cannot fill a political void.

There is a pressing need for an honest debate on whether international humanitarianism has reached its limits. It is no longer enough for the relief agencies to take the moral high ground and maintain that they did all they could. One tough question is: Should relief organizations continue to operate in political emergencies such as civil war? And if

so, under what preconditions? Another question: Should re lief agencies aim at operational neutrality? True neutrality is difficult and costly to achieve — as the International Committee of the Red Cross knows all too well. Its reputation has taken more than a century to achieve, and today's flexible, publicity-seeking relief agencies do not have this degree of patience or discretion.

There will always be room for opportunism, and ad hoc NGOs - can certainly achieve tangible results. But this approach cannot be adopted as a principle.

NGOs must consider the possibility of undertaking relief work on the basis of solidarity with victims. This also has its costs and dangers. Solidarity with the vic-tims of injustice, hased upon the principle of justice, is a hard road. Relief would come to be seen as subversive, as true community development often is, and therefore unattractive to donors. Relief programs would become explicitly political, on the side of the

poor and vulnerable.
Will many of the established NGOs be prepared to take this path? It is unlikely, given their dependence on donor funds, tolerance by host governments and factional leaders, and favorable publicity.

But there are dangers in following the present road of bumanitarianism unbound. The humanitarians will not resolve disasters such as Somalia, Bosnia and Rwanda — and may make them worse. And Western governments are having second thoughts, after picking up the bill in Somalia and contemplating the impasse in Bosnia. There are no easy solutions. But the first step in searching for a solution is to acknowledge the problem.

The writers are co-directors of the London-based organization African Rights. They contributed this comment to the International

# Old Rascals Out — New Rascals In

NEW YORK — Out go the old rascals, in come the new. Out with the earnest liberal rascals who talked you to death about the complexities of everything, and now we have Professor Newt Gingrich and

his Congress of car salesmen.
This is going to be good.
For weeks the victors have treated themselves to a satisfying public gloat. They repeated their favorite applause lines from the campaign — Mr. Gingrich is practically addicted to his line about 15-year-olds killing each other and 18-year-olds getting diplomas they can't read — and they cranked up the Republican

### Every satirist there ever was has watched this parade go tooting past,

fog machine and presented their tiny majority as a tidal change in the history of ideas.

But then, out of the mists, dim figures emerged, and lo and behold, it is the same old gang of fraternity boys, geezers in golf pants, cheese merchants, cat stranglers, corporate shills, Bible beaters, swamp developers, amateur cops and old gasbags that we have known since time immemorial.

It is about as revolutionary as if the American colonists had overthrown the British and invited in the Spaniards.

Down from the attic now comes the Republicans' collection of dotty uncles, led hy Senator Jesse Helms, the new chairman of Foreign Relations, an old woofer whose view of the world is dim indeed, and SenaBy Garrison Keillor

tor Strom Thurmond, the oldest man in political captivity.

Mr. Thurmond does about as well as most 92-years-olds, I suppose, but he is an eerie sight around the capitol, definitely not

the sort of active inquiring mind you'd hope to find chairing the Armed Services Committee. When you look at the Senate leadership, you see one man after another whom any sensible Republican would want to keep

off television. Their best spokesman, Sena-tor Alan Simpson, they un-horsed, leaving them with Bob Dole, a sour man representing the very sort of permanent in-cumbency that the voters are

supposed to have rejected. Senator Dole gave an interview on election night, in which he said something that startled me — he said, "Government does some things well."

You haven't heard a Republican say that in a long time, just as you've never heard a Republican speak compassionately about the hardship of having very little money, but if the Republicans intend to run the Congress, they have to train themselves to say these things.

It is one thing to run for office on the idea that poverty is caused by public assistance and that the poor would thrive if we just stopped helping them, but when you take power, you have to face reality.

Congressman Gingrich has a hard time with reality. On the eve of becoming speaker, he is still trying to sound like a Tom Clancy novel — announcing that Colin Powell ought to be dispatched to tell the Bosnian Serbs: "If you launch a general offensive—we would reserve the right to take you apart, and we would do it in three to five days." This is supposed to be a new

era in politics? This is a reincarnation of William McKinley's America. Suddenly a museum stirs and the statues start talking, and we are back in the Gilded Age, among portly men who regard great wealth as the surest sign of Divine Grace and who amuse themselves by railing against the poor and calling for

more prisons. Thomas Nast, Mark Twain, H. L. Mencken, Sinclair Lewis - every satirisi there ever was has watched this same parade

go tooting past.

How they all would have loved Newt Gingrich's solemn announcement after election day: "We have to simply, calmly, methodically reassert American civilization.

This is a remarkable line. Certainly Newt Gingrich did not rise to his position through personal modesty, but it is afflatus of a high order to claim to represent American civilization.

But once again, the rabid ideologues are loose, and they want to tell us, from Washington, who is and who is not a real American - what is and what is not genuine in our culture. It isn't the prerogative of Congress to decide what Ameri-

can civilization is. Congress has all it can do just to pass laws and apportion money. The voters didn't buy a civilization from Newt Gingrieh, they only bought a car, and even before we put the key in the ignition, it is emitting rancid gases.

The New York Times.

discussion paper distributed by African Rights. Herald Tribune.

### 1894: Stevenson Dead

AUCKLAND — The following details have been brought from Samoa regarding the death of Mr. R. L. Stevenson on Dec. 3. Two hours before the end came Mr. Stevenson said to his wife: "I have a strange pain in my head." He had scarcely uttered these words when he fell back insensible. He never recovered consciousness. The cause of death was sudden paralysis of the brain, accompanied by collapse of the lungs. Mr. Stevenson, who leaves three unfinished works. had suffered for some time past from brain exhaustion. He was haunted by the fear that his popularity was waning.

### 1919: Estonian Plea

PARIS - According to despatches, the Estonian conference with the bolshevists is in a critical

IN OUR PAGES: 100, 75 AND 50 YEARS AGO stage. The Esthonians are standing firm on their frontier claims. The Premier has made an appeal to the British Government not to withdraw the British Fleet from the Gulf of Finland, as the ships provide a safeguard against a bolshevist invasion.

### 1944: Russian Amerika MOSCOW — [From our New York edition:] "Amerika," a new

magazine in the Russian language, designed to acquaint the Soviet people with the United States, went on sale today [Dec. 18]. Produced by the American Office of War Information, the first issue is a sixty-four page publication with a color cover showing the United States flag and the silhouette of an American soldier peering through field glasses. The inside cover shows a striking color picture of the White House.

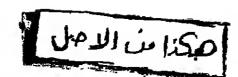


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# Mandela's Honeymoon Continues

New York Times Service
BLOEMFONTEIN, South Africa — Hardly a day goes by without another warning that President Nelson Mandela's supporters are losing patience, that his courtship of the white minority is alienating the black majority, that the needy have too little to show for his eight months in power.

The alarms come from workers in his own party, from union leaders, from black journalists and pundits. They are reinforced by a few small but sensational protests - squatters octional protests — squatters oc-cupying a Jobannesburg apartment complex, jobless blacks storming a Pepsi plant. As Mr. Mandela's party, the African National Congress,

Too Little

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. . . . .

gathered bere over the the weekend for its first national conference since assuming power, the president decried "opportunists of all hues" who are pressing the government to "gain popularity on the basis of radical-sounding but impractical propositions."

But all this grave talk about the frustration boiling up in South Africa seems to bear no relation to what most black South Africans actually think. An array of recent, nonpartisan opinion polls, focus groups and interviews indicates emphatically that on the streets of South Africa, the boneymoon is nowhere near over.

Ordinary voters are, for the most part, intensely loyal to Mr. Mandela and his party. Overwhelmingly, they say the country is headed in the right direction. Their expectations are comparatively modest. They say they are willing to wait years for results. If they resent Mr. Mandela's emphasis on reconciliation among the races, they are showing no sign of it at least, not yet.

Indeed, some researchers say the devotion of the black majority to the African National Congress is so strong that they worry less about popular upheaval than the opposite — that South Africa will become a de facto one-party state like many neighboring countries, where opposition parties exist but can

be ignored. Steven Friedman, director of the Center for Policy Studies, which has just completed a series of group discussions with black voters, said that if Mr. Mandela did fail to satisfy yearnings for a better life within a few years, disappointment was less likely to turn into opposition than apathy and cyni-



Nelson Mandela at the ANC conference on Sunday.

If Mandela does fail to satisfy peoples' yearnings for a better life, 'there won't be a rebellion. They'll just opt out of politics, as many people in the new democracies of Eastern Europe have done.'

Steven Friedman. Director of the Center for Policy Studies.

"There won't be a rebellion," he said. "They'll just opt out of new democracies of Eastern Enrope have done,"

The loudest discontent tends to come from the people who are best organized to do something - especially union members, who are a minority but one with the power to bring this industrial country to a halt.

Also, there are fundamental differences between whites and blacks on what the government should do. Not surprisingly. blacks place a much higher pri-

ority on creating johs, housing, better schools and bealth care though blacks are satisfied with surge in the final session, when for the neglected majority, and their new leaders, and delighted Weiland gambled successfully are far more willing to have the by an increased sense of free- on the diagramed deal. He better schools and bealth care politics, as many people in the for the neglected majority, and

dards fall in order to provide in the confrontational tactics of reasonably expect that his partequal schools now. Proportion-the struggle — violence, civil ner stopped spades, and if he ally, twice as many whites as disobedience, protests. They did not, there was a fair chance blacks say that those who do call for more discipline in that West would lead clubs, a equal schools now. Proportion-ally, twice as many whites as disobedience, protests. They blacks say that those who do call for more discipline in not pay for public services like schools and for an end to boywater, electricity and garbage cotts of utility payments, and removal should lose them.

and have-nots, embarking on a huge but gradual program of social upliftment without sharp tax increases that might alarm investors. But the polls suggest that if he does not have some visible success, black resent-

ment could grow.

Despite Mr. Mandela's man-Jonathan Yardley tra of nonracialism, race mat-I the author of this thoughtful and heartfelt book to say that

A survey sponsored by the Institute for Democracy in South Africa found that although race was not the main factor in bow people cast their votes, most voters had a strong sense of their own ethnic history, language and culture.

In the battle for the soul of the African National Congress, a small but vocal minority of intellectuals argues that the governing party should take a more Africanist line, promoting blacks aggressively to positions of power and worrying less about the anxieties of affluent

In an opening speech to delegates here, in the city where the ANC was founded in 1912, Mr. Mandela said that reassuring and cultural aspirations' is whites - and also the Indian and mixed-race minorities, who fear being victims of black advancement - was a prerequisite for the stability that would make prosperity possible.

But the prevalence of whites in the civil service does not seem to have become an issue with the black electorate yet, although no researchers have gone out specifically looking for it.

In the group sessions sponsored by the Center for Policy Studies, many blacks remarked Fall Nationals. The discomfort that whites (including white powas Ed Carr's, who was due to lice) had become more courteous, and had tried to learn African languages. But they also complained of a rigid racism

among employers.

The polls suggest that any rival party or breakaway faction would face a formidable at title, while Lair, an experi-task in trying to challenge the enced professional won his African National Congress, 16th.

The polls indicate that algovernment raise taxes on more dom and dignity, they are far opened the North hand with affluent citizens to pay for these from satisfied with their lives. one diamond and took a shot a As they have put their faith in

More blacks than whites are the new government, many willing to let education stan- South Africans have lost faith many would even support a contract would have failed by Mr. Mandela has tried to bal- moratorium on strikes.

**BOOKS** 

• Robert Read, fine-arts underwriter at Hiscox Underwriting Ltd. in London, is reading "Green River Rising" by Tim

"It is about prisons in America and it is fascinating although not very cheery reading."

(Erik Ipsen, IHT)



tradition of the book" is "des- erature - have on their side tined for imminent historical massive technological powers unimaginable so recently as a technologies that will render it antiquated." Though Birkerts world of reading is being manages to find a flicker or two of hope for the printed word and those who love it, in essence what he has written here is a should happen, for we prefer literary cri de coeur — a lament ease to difficulty — and who, literary cri de coeur — a lament for literature and everything pray tell, is to blame us for that? implicit in it.

This is scarcely the first such dirge; the death of bterature has been proclaimed repeatedly in the postwar era, only to be denied either by argument or by evidence. Now, however, the forces arrayed against bterature sweep of its implications, un-known. The whole familiar arrayed for a future without lit-

shoved aside in favor of the easy one of audio and video, and "it is in our nature" that this

It is to Birkerts's credit that for the most part he declines to cast blame. Though an academic and literary fellow himself, susceptible to the cultural and ideological proclivities those adjectives imply, be knows bet-ter than to seek out villains when what we confront is the implacable advance of the inev-

He is no less right to view with dismay "the kinds of developments we might watch for as our 'proto-electronic' era yields to an all electronic future." He lists these as the erosion of language, the loss of historical memory and the dis-appearance of the private self be a trifle overwrought, but the into "the transparency of a life apprehension is not. The future, lived within a set of systems, electronic or otherwise." He be- ahead, to which must be added, lieves that whatever we may gain in this new world is more than offset by what we lose, to

"My guess would be that every lateral attainment is pur-chased with a sacrifice of depth. The student may, through a [multimedia] program on Shakespeare, learn an immense amount about Elizabethan politics, the construction of the Globe Theatre, the origins of certain plays in the writings of Plurarch, the etymology of key terms, and so on, but will this dazzled student find the concentration, the will, to live with the often blurred and prickly language of the plays them-selves? The play's the thing— but will it be? . . . The gurus of interaction love to say that the student learns best by doing, but let's not forget that reading a work is also a kind of

If anything Birkerts does not put it strongly enough. Reading is a far more demanding and exacting undertaking than any-thing the new technology bas to offer. Reading demands that the imagination be put to work; interaction and its various spinoffs substitute visual and aural images for imagined ones. Reading requires an engagement between reader and text; interaction, bowever alluring, is game-playing. Reading at its most demanding is, purely and simply, hard, which is precisely why we are so eager to be done

What Birkerts properly fears "a flattened new world in which only a small coterie traffics in the matters that used to be deemed culturally central," a world "become sanitized and as Mort Sahl used to say, lies it doesn't look very good.

Jonathan Yardley is on the staff of The Washington Post.

### BRIDGE

By Alan Truscott

THE GUTENBERG ELE-

GIES: The Fate of Reading

By Sven Birkerts. 222 pages.

T is no doubt an injustice to

Sven Birkerts would have us see

him as a good man in a bad time, but there is more than a

smidgen of truth to it. Birkerts's subject is the passage of our

culture through a "total meta-morphosis" in which "the stable

hierarchies of the printed pa-

ge . . . are being superseded by the rusb of impulses through freshly minted circuits." Tech-nology is in, books and reading

are out. Birkerts is a book man

to the core and thus a paradigm

of the beleaguered old virtues;

as such be means to command

about to be supplanted by something new and, in the full

sweep of its implications, un-

In an Electronic Age

\$22.95. Faber & Faber.

Reviewed by

neck problem indirectly decided the result of the Blue Ribbon Pair Championship at the American League's was Ed Carr's, who was due to play with Mark Lair, but did not feel well enough. His bouse guest, Alexander Weiland replaced him and the new partnership won the three-day event

Weiland won his first nation-

The winners began their six no-trump when his partner bid three no-trump over a weak jump to three clubs. He could suit that he had supported.

If West had led a spade, the four tricks. But West thought

gesting that a slam might have been easier to make than a game: West would probably have led a spade effectively against three no-trump. At other tables, North-South usually bid to five diamonds.

that South was likely to have the spade king and led an obvi-

ous club. Lair claimed 13 tricks

for a top score on the deal, sug-

and East-West scored well if they could find a save in five spades, failing by at most two

WEST (D) EAST **♦ K 5 3 2** 0 10 G 4 K 10 9 8 7 4 SOUTH \$ 10 6 O A Q J 9

Neither side was will North East

West led the club six.

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111	France OAT	474	10/25/04	91,3800	7,3900
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146	France OAT	674	10/25/03	72.0200	7.3400
152	France OAT	01/2	04/25/03	102.8800	8.2600
154	France BTAN	574	11/12/98	93,5500	4.1500
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219	France OAT	914	06/25/98	105,4200	9,0100
220	France BTAN	812	11/12/96	102,1100	8.3200
249	France OAT	8,3	03/28/00	102,7500	8.2700
fta	ilan Lira				
246	ijaly	81/2	88/01/97	73,0500	9,1300

1			
514	03/20/03	104,1250	5.040
			4,390
			4,720
			4,530
			1.370
			3,760
			4,450
			4,480
			4,452
			4.830
			3,130
			5,990
			4,790
41/2	09/28/05	97,3750	4.620
ta			
8.30	12/15/98	90.8700	9.130
11.60	01/15/97		11.400
	06/15/02	94.1200	
	01/15/02	94.9620	11,650
11.50	01/15/95		
8	05/30/04	80,7500	9.910
	02/28/97	96.5200	9,310
10,90	08/30/98	97.0296 96.8700	
	51/4 41/4 41/4 41/4 1 31/2 41/4 41/4 5 3.12 61/4 61/4 61/4 61/4 61/4 61/4 61/4 61/4	514 03/20/02 4½ 12/22/97 4½ 12/20/94 4½ 03/20/03 1 05/15/02 3½ 06/20/01 4½ 06/20/00 4½ 12/05/95 5 10/01/99 3.12 12/03/98 6½ 09/19/98 5½ 07/28/03 4½ 09/19/98 11.60 01/15/92 11.60 01/15/92 11.60 01/15/02 11.60 01/15/02 11.60 01/15/02 11.60 01/15/02 8 05/20/04 9 02/28/97 10.90 06/30/08	514 03/20/02 104.1250 4½ 12/22/97 102.5009 4½ 12/20/93 190.5250 4½ 03/20/03 99.2500 1 05/15/02 72.7673 3½ 06/20/01 93.1250 4½ 12/09/93 101.1250 4½ 12/09/93 101.0706 5 10/01/99 103.6250 3.12 12/09/93 99.5371 6½ 09/19/98 106.5009 5½ 09/19/98 106.5009 4½ 09/28/05 97.3750  11.60 01/15/97 101.7706 11.60 01/15/97 101.7706 11.60 01/15/97 101.7500 11.60 01/15/92 94.1200 11.60 01/15/92 94.526 11.65 05/20/04 60.5000 8 05/20/04 60.5000 9 02/28/05 97.2256

1/4 SPOIN	11.00	01/15/95	100.7250	11,7052
176 Spain	8	05/20/04	80,7500	9.9100
197 Spoin	9	02/28/97	96,6200	9,3100
223 Spain	10.90	08/30/03	97.0294	11,2300
238 Spoin	1014	11/30/98		10.5800
Swedish Kro	lä.			
127 Sweden	10%	01/23/97	101,4600	10,6000
167 Sweden	6	02/09/05	71,4000	5,4000
177 Sweden	11	01/21/99	102.0985	10.7700
U.S. Dollar				
17 Argentina FRN	612	03/29/05	721452	9,0190
20 Venezuela FRN	574	12/18/07	48,2070	11,7800
24 Argentino par L	414	03/31/23	46.9520	9,0500
28 Brozil FLIRB	4	04/13/14	53,3055	7.5000
52 Brozil 980,0 FRN	6 %	01/20/01	01,9067	7.4000
C Manne le				

U.	-52	DI CONTINUE DE LA LICE	6 78	01/20/01		
000	57	Venezuela	674	03/31/20	53,7500 12,560	
00	69	GMAC	zero	02/14/95	98,4800 8,000	0
00	72	Brazil L FRN	494	04/15/12	644778 10470	
00	77	Brozil El LFRN	6 7%	04/15/06	71.0342 9.410	0
00	85	Elect Pwr Dev	81/8	12/09/99	180,2500 8,100	
	95	Argenting FRN	7%	03/31/23	68,9080 10,340	
_	101	Mexico	414	12/31/19	63.8146 9.790	
	102	Poland	34	10/27/14	47.8456 4.790	
_	103	Venezuelo	674	03/31/20	50,5814 13,340	
00	104	Mexico	644			
00	105	Britein		12/31/19		
00	112		714	12/09/02	95,1250 7.620	
00		Polend FRN	6 %	10/27/24	75,4472 9,030	
00	115		51/2	11/15/20	41.7500 13.170	
00	117	Mexico FRN	74	12/28/19	85.5449 8,480	
8		Brozil per YLA	4	D4/15/24	43.0598 9.290	
00	119		74	12/05/97	99,8000 7,830	
	121	Broodi par YL3	4	04/15/24	41,3107 9,680	
00	123	GMAC	zero	02/13/95	97,9467 12,770	Ď
00	125	Mexico FRN	6 %	12/31/19	85.8197 7.790	0
ĐQ	133		6 %	07/28/24	49,6343 12,210	
00	136	Brozil FRN	6 %	84/15/24	45,4872 10,180	
00	141	GMAC FRN	6.66	12/06/96	99,9248 6.450	
90		Venezuela	7	03/31/07	50.5853 13.840	
00		Britain FRN	5	09/24/96	99,8100 5,010	
00	146	Finland	775		97.6250 8.070	
00				07/26/04		
	147	Tayola Fin.	74	T0/24/97		
_	150		6 14	06/01/98	99.8700 6.070	
	158	SBC Fin.	74	12/09/96	99,1250 7,190	
_		LK8 FRN	544	11/04/96	99,3400 5,910	
90	161	World Bank	7%	09/27/99	97.0000 7.350	
-	164	Mexico FRN	6 %	12/31/19	85.6014 8.100	
	165	Yokohama	7%	09/22/04	95,5000 7,990	0
_	171	Onlario	61/2	06/28/00	90.6250 6.760	6
-	179		477	12/31/19	25.5449 7.910	0
20	180	INI Finance	54	12/09/98	90,0000 5,830	Ĉ
00		Brazil FRN	474	04/15/09	66.5419 10.140	
0	185	Venezuelo	7	03/31/07	50,4990 13,861	
00	187		zero	01/10/95	98.5312 20.470	
00	188				98.5479 21.010	
30			zero	01/09/95		
00	109	Finland	644	11/24/97		
00	192	Bulgaria FRN	6 1	07/28/11	45.3402 13.370	
00	193	Chollenge FRN	4.67	12/09/97	99,7300 6.680	
200	205	Onlario FRN	5 %	08/17/99	99,6000 5,840	
20	207	IIIIy FRN	51/2	06/29/98	100,0800 5.500	
90	209	Ontaria	744	06/22/04	95,1250 8,020	
	211	Argentina	10.75	11/01/99	98.2950 11,150	0
90	212	BNG	7	08/23/99	96,5000 7,250	0
00	213		zero	03/07/95	98,6772 5,830	
00	214		zero	01/18/95	98.3980 17.270	
00	224	Argentina	874	12/20/03	77,5000 10,810	
00	225			10/13/04	97.1250 8.110	
90		Tokyo Mel.	7%		98.1277 13.110	
00	234		zero			
~	235	World Bank	0,5	03/01/01	100.8750 8.050	
_	239	Poland par bond	224	10/27/24	34,9722 7.860	
		Unliever	8	12/08/99	100.6813 7.950	
-	243	Freddle Mac	71/1	07/21/99	96.8750 7.350	8
00	247	KFW	01/4	11/30/04	100.1250 8.240	0
-						-

# Spirit of 1993 Still Haunts Bonds

By Carl Gewirtz

International Herald Tribune PARIS — Like a party gone wrong, the nearly decade-long rally in bond prices has ended in an expensive mess. What is more,

the mood is unlikely to improve soon. The setback, which began when the Federal Reserve Board started to raise U.S. interest rates last February, has affected all of the world's 13 major domestic markets -even those, like Germany, where official interest rates have not been increased. As market interest rates rise, bond prices fall.

Jan G. Loeys at J. P. Morgan & Co. in London calculated the capital losses, excinding interest income, in these 13 markets that comprise the bank's global government bond index as ranging from a low so far this year of 7.8 percent in Japan to a high of 15.9 percent in Australia. The de-clines in the United States and Germany

were identical, 9 percent each.

The average decline was 9.9 percent. In dollar terms, this translates into a loss of \$500 billion just in the government bond markets. That does not count the declines in corporate issues or the losses in value sustained in the international capital market.

Mr. Loeys attributes the severity of the setback not only to the start of a sustained bear market for bonds following this year's spurt in economic growth but also as a correction to "speculative fever of 1993" when investors drove yields to unrealisti-cally low levels in the belief that global disinflation was under way.

With a global recovery in economic growth now firmly in place. Mr. Locys ruled out any hope of a sustained rally in bond prices until it becomes clear that the Fed has finished pushing up rates. He said he did expect that to happen until the second half European bond prices under pressu

Surprisingly, the start of the global bear market for bonds has had only a modest impact oo oew-issue activity in the international market. Data compiled by Salomon Brothers Inc. showed issuance so far this year totaling \$427 billion, only 11.7

percent behind the record pace of last year. This will be the first annual decline since the retreat of 10 percent in 1990 - a year marked by economic slowdown, financial market fragility, rising oil prices and Iraq's invasion of Kuwait. Only 1987 was worse, when activity dropped 20 percent in the wake of the near-meltdown in world finan-

cial markets. Sustaining this year's activity were spurts in floating-rate notes, which are the safest haven in a period of rising rates, and in issuance of yen-denominated paper. Floating-rate notes have interest rates that are periodically reset to reflect market yields.

Floating rate notes denominated in dol-lars rose 34 percent, to \$60 billion. Sterling floating-rate notes increased 23 percent, to the equivalent of \$11.9 billion. Deutsche mark ootes, fueled by the opening in Germany of money-market funds, soared 98 percent, to the equivalent of \$11.3 billion. At more than \$83 billion, the volume of FRNs surpasses the previous records for this sector set in the early 1980s.

In all, the dollar accounted for 39 percent of total activity. John Lipsky, Salo-mon's chief economist, ooled that dollardenominated transactions, down overall by only 4 percent, at \$165 billion, were also sustained by the sale of fixed-coupon issues. Volume in that sector was down only 11.6 percent despite the dollar's weak performance since investors were keen to buy

of next year. By that time, official rates in short-term debt. Issuers - including some Germany are likely to be rising, keeping rarely seen U.S. corporates — were willing to sell three- to five-year Europaper since they could save about an eighth of a per-

centage point, compared with the cost of borrowing domestically. The yen accounted for a record 18 percent of the market due to the continu reluctance of Japanese investors to incur the

exchange risk of purchasing foreign asses and thus driving borrowers to issue in year Mr. Lipsky noted that the stated total issuance in yen — up 25 percent, at the equivalent of \$76.9 billion — understated the currency's market share due to the large increase in unrecorded private placements as well as heavy sales of mediterm notes that are not counted as binais

The Deutsche mark lost market share, accounting for 8 percent of overall activity. down from 13 percent last year. The French franc suffered a worse loss, falling to 5 percent from 11 percent last year. Neither currency provided much scope for arbitrage. Sterling was virtually unchanged, with a 7 percent market share

Although its market share is tiny Australian dollar stood out for the 114 percent increase in issues, rising 46 the equivalent of \$7.5 billion this year currency has been one of the best performers on the foreign exchange market --- up 13 percent against the dollar and up 9 percent against the mark. In addition, Mr. Locys noted that government issuance in the domestic market contracted sharply this year, driving investors seeking Anstrahan dollar assets to the Euromarket.

Reflecting heavy retail demand in Belgium, the tax-free Luxembourg franc market scored a 104 percent advance, with new issues totaling the equivalent of \$11.7 billion.

# Fed Banks on a Slowdown Next Year

WASHINGTON - The

Federal Reserve Board is scheduled to meet on Tuesday to consider raising interest rates for the seventh time this year, but most analysts are betting it will hold off from acting so soon. After boosting short-term

rates sharply just last month, the central bank is at a crossroads. It knows the ecocomy is ending 1994 on a strong note, but it expects growth to slow next year as the tighter credit begins to bite.

As a result, the probable dewill be to delay a rate increase until after the start of 1995, when the Fed will have a better idea of how the economy performed during the crucial

Christmas retail season. "They will wait a hit longer, wanting to take a look at Christmas spending and inflation as they go into the new year," said David Jones, a veteran Fed watcher and chief economist at Wall Street firm

Anbrey G. Lanston.

raising interest rates next embedded in higher inflation starts to industrial production, month. Mr. Jooes said he was expectations." looking for a half-percentagepoint increase in January, while some other analysts predicted

an increase of up to a point. The longer the Fed holds out, the more likely that officials will choose to hike the

### U.S. CREDIT MARKETS

funds rate by more than 50 basis points," wrote ecocomists at Salomoo Brothers Inc. in their veekly commentary.

Alan Greenspan, the Fed cision at the Tuesday meeting chairman, was about as clear as higher rates are on the way in Congressional testimony early this month.

While insisting he did oot raised this week, he painted a picture of an economy growing too fast for the Fed's liking and fueling inflationary pressures in the process.

he said to the Joint Economic But the delay is likely be Committee of Congress, "If of that happening, A string of short-lived. Most analysts ex- price increases are accommo- economic indicators released pect the central bank to resume dated, they can become readily last week, ranging from housing

Even some insiders in President Bill Clinton's circle admitted that higher short-term interest rates are likely next year. "It's not unreasonable to think creases," said ooe official.

But the official, who asked not to be named, expected the discourage prospective buyers. Fed to hold off from acting this The yield on the benchmark week as it tries to gauge the economic impact of the actions that it has already taken.

The Fed has raised rates by a total of 2.5 percentage points since February. "This is a time he ever gets in signaling that when you want to have 8 delicate hand," the official said.

That argument is not lost on olicymakers at the Fed, even the so-called anti-ioflation know whether rates would be hawks. They want to cool off the economy and thus extend the economic expansion, not kill it.

"If you try to do too much too fast, there's a chance of an "We must remain alert to overkill," said Sung Won Sohn, signs of inflationary pressures," chief economist at Norwest, So far there seems little risk

showed the economy continuing to steam ahead.

But there were also faint signs of a possible slowdown on the horizon. In a national survey, builders reported growing there might be further rate in- increasingly gloomy about home sales as spiraling mortgage interest rates continue to

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42.72

4.15

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30-year Treasury bond closed the week little changed, slipping to 7.85 percent on Friday from 7.86 percent a week earlier.

The return on 10-year notes edged np to 7.81 percent from 7.79. Short-term interest rates rose even more, with two-yearnote yields rising to 7.56 percent from 7.51 percent and sixmooth Treasury bill yields increasing to 6.51 percent from C. 6.46 percent.

The sharp gains on the short end showed market concern with a Fed rate increase, which has an immediate effect on this sector. Long-term rates are more reflective of inflationary expectations, and the slowing effects of a Fed rate rise on the economy are thus beneficial.

(Reuters, Knight-Ridder)

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Banco Barnerindus do Brasil	\$250	1997	34 <sub>2</sub>	99.18		Over 6-month Libor. Noncullable, Fees 1%. (Swiss Bank Corp.)
Sakura F)nance (Cayman)	\$500	2004	14	100	_	Interest will be 14 over 3-month Libor until 1999, when issue is callable at par, thereafter 9 over. Fees not disclosed. (Sakura Int'i.)
Sands Notes	\$272	1996	0.15	99.80	_	Over 3-month Libor. Noncollable. Fees not disclosed. Denominations \$10,000. (HSBC Markets.)
CLIPS 1	E123,75	2009	0.26	100	_	Over 3-manth Liber. Reoffered at 99.90. Average life 3.6 years. Also £16.5 million paying 1.10 over Liber, and £5.25 million paying 1.30 over. Fees 0.40%. Denominations £10,000. (Goldman Sachs Int'l.)
Sakura Finance (Cayman)	¥70,000	2005	0.20	100	_	Interest will be 0.20 over 3-month Libor until 2000, when issue is callable at par, thereafter 7: over. Fees not disclosed. Denominations 100 million. (Sakura Finance Int'l.)
Fixed-Coupons						
Companhia Brasileira de Projetos e Obras	5100	1997	121/2	991/2	_	Semionnuolly. Noncollable, Fees 11/2%. (Lehman Brothers Int'l.)
Guadalajara Tepic	\$300	2005	12%	99,35		Colloble from 1999 to yield 11/2 over Treasuries. Fees not disclosed. Denominations \$10,000 (CS First Boston.)
McDonald's	\$200	1997	8	100.942	100.05	Reoffered at 99.967. Noncollable. Fees 11/s%, Payable in Jon. (Morgan Stanley Int'l.)
Minnesota Mining & Manufacturing	\$200	2007	734	107	99.80	Reaffered at par. Noncollable. Fees 11/6%. Payable in Jan. 1J.P. Margan Securities.)
Pakistan	\$150	1999	11 <b>¥</b> 2	99.484	Ξ	Semiannually, Noncollable, Fees 0.70%. (Bear Steams Int'l.)
Oresdner Finance	aw 300	2000	714	1011/2		Noncollable, Fees 2%, Payable in Jan. (Orescher Bank.)
Argentina	FF 1,000	1998	97%	100,46	99.50	Reaffered at 99.65. Nancallable. Fees 11/2%. Payable in Jan. (Société Générale.)
Deutsche Bank Finance	ITL 200,000	2008	TI	TÖ1,325	100.25	Noncollable. Fees 11/4%, Poyable in Jan.   Ceutsche Bank.)
New South Wales Treasury Carp.	Auss 100	1997	442	86.68	_	Semionnuolly. Noncalloble. Fees 1%%. Denominations AusS10,000. (Nomura Int'l.)
New South Wales Treasury Corp.	Aus\$ 100	1997	41/2	87.371		Semionnuolly, Noncollable, Fees 136%, Denominations AusSi0,000, (Nomura Infl.)
Treasury Corp. of Victoria	Auss 100	1994	5	92.425	_	Noncollable, Fees 11/4%. Payable in Jan. Denominations Aus\$10,000.   Nikko Europe.)
Warld Bank	Aus\$ 100	2008	101/6	10T,425	99.40	Noncalloble, Fees 11/2%, Poyable in Jan. (Commonwealth Bank of Australia.)
Argentina	Y 20,000	1997	6	100	99,50	Noncellable. Fees not disclosed. Denominations 100 million yes. (Nomura Int'L)
Austria	Y 60,000	2004	434	100.22	99.80	Noncolloble, Feet 0.375%, Povoble In Jan 11 TCG (ett.)

y 60,000 2001 4.40 100.65 99.80 Noncollable, Fees 0.275%, Payable In Jan. (LTCB Infl.)

### Last Week's Markets

All figures are as of close of trading Friday

Austria

Stock In	dexea			Money Rat	<b>8</b>		
United State	s Dec. 16	Dec. 9	Chige	United States		Dec. 16	Dec. 9
DJ Indus. DJ UHL DJ Trons. S & P 100	3,807.19 182.24 1,416.14 429.53	177.34 1.380.97 417.39	+1,2% +25% +251%	Oiscount rate Prime rate Federal lunds r Japan	ate	8½ 57/16	84 542
S & P 500 S & P Ind NYSE CP Britago	458.80 542.24 250.54	530.28 244.17	+245 % +226 % +261 %	Discount Call money : 3-month interbo Germany	nk	14 22 24	1¾ 23/16 25/16
FTSE 100 FT 30 Japan	2315.10	2,293.50	+1,22%	Lombard Call money 3-month interbo	unb	6.00 5.05 5.45	6.00 5.05 5.50
Nikkel 225 Germany	19,163.43	18,778.30	+1.98%	Britoln			330
DAX Hong Kong			+ 206 %	Bank base rate Call money 3-month interba		614 51/2	675
Hang Seng World	2,166.39	7,789.07	+484%	Gold	Dec. 16	e¥e Dec.9	6  5/ 6 Chige
MSCIP	606.10	602,30	+ 263 %	London	360.65	374.50	+ 1.10 %

p.m. lfx.\$

### Euromarts

	Eurobond !	<b>Flek</b>	13			Weeki	y Sales
		Dec. 14 I	Dec. 9 1	r Mish	Yr lew	Primary M	kerket
2	U.S. S. long term U.S. S. short term U.S. S. short term Powds sterling French francs Italian lire Domish kryae Swedish kryae	8.39 8.39 7.79 7.12 7.94 11.09 8.30 70.54	7.84	8.48 8.20 7.79 9.41 8.24 11.30 8.74 11.23	5.45 4.88 6.26 5.97 7.91 6.20	Straights Couvert. FRNs ECP Total Secondary	Cedet \$ M 245,80 214 10,00 4 8,425,00 3,891 8,687,40 4,151
	ECU, long term ECU, make term Con. 5 AUS. 5 N.Z. 5 Yen Source: Luxembo	8.64 8.26 9.39 10.43 9.37 4.47	8.52 8.23 9.19 10.40 9.23 4.47	8.50 9.64 10.47 9.41 4.84	7.04 6.18 5.81 6.39 6.59 5.99 2.87	Straights 1' Convert, FRNs 1 ECP 1 Total 2	Cedel

	CHUE	
	\$ N	ons s Nogs
Straight	2680 71	0.40 1,931.30 5,433.79
Couvert.		0.30 _ 175.50
FRNS		110-00
ECP		3.80 801.10 1,125.20
E C.P	6.424,00 3,89	8.80 9,998.00 7,248.79
Total	8,687,40 4,15	3.30 )2,730,40 13,943.10
Secondo	ry Market	
	2 may 1231	
	Cedel	Eurocleor -
	\$ M	Seek a Step
Straight	11.67320 1794	6.10.33,483.30 28,770.10
Convert	201 00 40	0.10-3\$483130 28,770.19
FRAS		4.90 1,403,30 1,589.30
	6,031.90 1,997	7.50 70 016 76 5.277 10
ECP	64D/JDD 16.60v	4 50 13 450 10 24 033 16
		ALCOHOLD IN CAMPACIA
Total	28.175.30 24.24	200 Tracton to more
Total	28,175.30 36,34 Euroclear, Cedi	3.00 77.964.00 A0.070.10

Dec. 15

Euroclean

6 5/16 5½ 6% 6 13/14 5 9/16 6-mont 6% 6% 214 - .-:

ear

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# **INTERNATIONAL STOCKS**

# **Taiwan Eases Toward Pact** On Opening to Foreigners

AIPEI — Taiwan's central bank has narrowed its differences with the Securities and Exchange Commission over how far to open the stock market to foreign investors. The Central Bank of China, which has been reluctant to open the market as widely as the commission and others would like, said it would consider allowing foreigners to hold 10 percent of the value of shares listed on the Taiwan Stock Exchange if the SEC agreed to a broad definition of foreign slock investment Before approving such a change, however, the bank said it

wanted to talk about opening the market in a way that would bring "overall and long-term ad-

vantages" for Taiwan. In addition, the bank, which many analysts have identified as with regulators. the higgest opponent of market

liberalization, said Saturday it wanted certain other problems in the securities market addressed before limits on foreign stock investment were lifted.

The central bank is

looking for agreement

Paul Lei, a senior economist in the bank's department of foreign exchange, suggested several changes Friday in the liberalization plan. But the central bank Saturday dropped some of those propos-als, according to an article in the Commercial Times, Taiwan's second-largest husiness daily.

Officials at the central hank have long sought to define stock investment to include not only shares bought directly by foreigners on the local exchange hut also claims for shares, known as global depositary receipts, that are sold ahroad.

The bank also has wanted to include bonds sold abroad that can be converted into GDRs or stock, as well as shares in Taiwan mutual funds sold overseas by local fund managers.

By the central bank's broad definition, including all these mea-

sures, Taiwan as of midyear already had as much as 7.56 percent of

its stock market open to foreign investment.
In contrast to the central bank's approach, SEC and securities industry executives have asked for limits applying solely to shares bought directly by foreigners on the Taiwan Stock Exchange. By that measure, only about 3.8 percent of the market had been opened as of midyear.

In addition to seeking an agreement with the SEC on definitions, the central bank said it wanted to discuss with the commission how to go about opening those investment channels that would be in

According to the Commercial Times, the bank wants to lift the \$3 hillion limit on overseas sales of stock and convertible bonds first, followed by the \$2.5 billion limit on sales of mutual funds abroad by local fund managers.

The \$7.5 billion limit on direct investment by foreign financial institutions would be the last to be lifted, the newspaper said. Foreign financial institutions have been allowed to buy shares in Taiwan companies since 1991. Direct investment by foreign individuals, however, is banned.

THE TRIB INDEX

World Stock Index, composed

Week ending December 16,

of 280 internationally investable 113

stocks from 25 countries.

compiled by Bloomberg 112 -

Business News.

daily closings.

Jan. 1992 = 100.

# Saatchi Plans to Oust Its Name Too

International Herald Tribune, Monday, December 19, 1994

Compiled by Our Staff From Dispatche

LONDON - Maurice Saatchi's ouster as chairman of his namesake advertising company capped nine months of private battles about the direction of Saatchi & Saatchi Co. and has the worldwide advertising conglomerate off on a search for a new name.

Mr. Saatchi, who was removed as chairman at a board meeting late Friday, was given until early next month to decide whether he will stay at the company that he founded in 1970 after it sheds his name.

Mr. Saatchi, along with his brother, Charles, built a small London agency into a powerhouse through a series of acquisitions on Madison Avenue in the 1980s that earned them the nickname 'Snatchit & Snatchit."

He stepped down after the board sided with large shareholders unhappy about his pay package and his role in persistent internal squabbles.

changing the parent company's name, though no new name was announced. Its main subsidiaries are Saatchi & Saatchi Advertising Worldwide, which would retain its name, and Bates Worldwide Inc.

Robert Louis-Dreyfus, a French husinessman who had slashed staff and costs at the company before becoming a nonexecutive director, also resigned.

A revolt by institutional shareholders, led by the Chicago-based fund manager Harris Associates, pressured Saatchi & Saatchi directors to get rid of the cofounder, "This is a watershed in the way the company is run from now on," said Carl Spielvogel, a former chairman of Bates Worldwide.

Mr. Saatchi's resignation brought to a close several years of wrangling about his leadership, during which an advertising hero of the 1970s and 1980s had become magnet for criticism in the 1990s.

internal squabbles.

After a nine-hour meeting, the board also announced that it would propose

Mr. Saatchi, 48, has been given until "early in the new year" to decide whether to accept a greatly diminished role at the

company, according to a Saatchi & Saat-chi representative who requested anonymity. He has been offered a ceremonial title of co-president along with his brother, Charles, and chairmanship of Saatchi & Saatchi Advertising Worldwide. Mr. Spielvogei said he helieved Mr.

Saatchi would accept the new role. "If he were to leave, he would lose a lot of money," Mr. Spielvogel said.

As British newspapers speculated Sunday that Mr. Saatchi might set up a rival agency, Saatchi & Saatchi said it planned meetings with clients — includ-ing Mars Inc., British Airways and Mirror Group Newspapers, which had expressed distress over the possible loss of Mr. Saat-

al for executive incentives that would have awarded him options based on his former salary, and this upset dissident sharehold-

### chi - in an effort to retain their business. Mr. Saatchi this year agreed to take a cut in pay from £625,000 (\$977,000) a year to £200,000. But he also backed a propos-

# (Bloomberg, NYT, Reuters)

# Pentium Flaw: Bigger Than a Breadbox

Intel Corp.'s Pentium processor incur an error every 24 days. are far more likely to occur than Intel Corp. admits but not as maker of processing chips for frequent as IBM claims, two personal computers, and the computer magazines have Pentium is its top-of-the-line found after conducting their own, independent tests,

ter publication, PC Magazine, torola Inc. has developed a new said tests conducted by laboratories at both magazines found that errors can occur on the order of every two months to 10 years when certain kinds of division calculations are invoked. Intel claimed that an error will

Intel is the world's leading personal computers, and the model. Intel chips are used in IBM computers, but the com-PC Week, the leading computer maker in alliance with puter news magazine and its sischip, the PowerPC, that competes with the Pentium. The magazines said their test-

ing found that neither Intel nor IBM portrayed typical user behavior in their claims.

MEDFORD, Massachusetts Machines Corp. claimed that the would probably find the level of Errors caused by a flaw in typical spreadsheet user could possible errors unacceptable, possible errors unacceptable, along with most people using a spreadsheet for complex financial calculations. "Most good financial software products will

not use the floating-point function, and calculations won't be affected, but users are going to have to talk to their software providers to know them for sure," said Peter Coffee, a PC Week technology analyst.

Intel is facing a rash of lawsuits and mounting complaints stemming from its failure to fastest computer chip. The suits charge Intel with everything

"Intel has such a huge legal hudget that its lawyers can probably take care of these in their free time," said Linley Gwennap, editor of Microprocessor Report. "But the fact is, ethically they should bave come out with it when they found the bug."

Howard High, an Intel spokesman, said Thomas Nicely, the mathematician who discovered the flaw, is the only person to have confirmed that he encountered the problem in quickly disclose a flaw in its a real-world setting. The chip giant discovered the flaw in the microprocessor last July hut occur only every 27,000 years. The magazines concluded from securities fraud to false kept it secret until November.

Syria and Libya. "If we have medium-range missiles in Da-

mascus or Tripoli capable of

going to be a real problem," said Andrew Pierre of Ameri-

Russia's higgest arms client

at the moment is almost cer-

tainly China, particularly its navy, which Beijing is eager to modernize. Washington's hig-gest concern here, Mr. Pierre

See ARMS, Page 11

### while International Business that engineers and scientists advertising to violation of unfair trade practices.

CITIC Shanghai.

The case raises questions about the legal and moral obligation of state-owned Chinese enterprises when trading debts

Lehman Brothers Inc. decided Yeltsin promised President Bill in a similar dispute. In November. Lehman sued two Chinese

> The Lehman case also hinges on the legal obtigation of the parent Chinese state-owned company to make good losses

run up by a subsidiary. In a separate article, China Daily said some foreign companies assumed that doing business with state-owned companies meant forging a link with the Chinese government that could be invoked if the investment partner suffered losses. Liu Zhiben, an official at the Ministry of Foreign Trade and Economic Cooperation, was

# China Arrests 4 Over Losses in **Metal Trading**

Compiled by Our Staff From Disputches BELJING — China said Sunday it had arrested four employees of a subsidiary of its flagship investment house on corruption charges in connection with illegal trading that led to heavy losses on the London Metal Exchange.

An official of the investment cause the losses, estimated at \$40 million, by extending credit to the traders without inform-

ing the parent company.

Two managers and two dealers of CITIC Shanghai Co., a subsidiary of China International Trust & Investment Corp., were charged with corruption and detained, the China Daily Business Weekly said. The report said one of the mangers was a former president of

The newspaper said no do-mestic subsidiary of CITIC ex-cept for CITIC Industrial Bank was allowed to have overseas horrowing and credit facilities.

It also quoted Xu Shiwei, senior adviser to CITIC Shanghat, as saying hlame for the losses lay in part with foreign partners who extended credit lines without notifying CITIC. Brokers said CITIC was

seeking a compromise settlement for the losses, which came in copper trading, arguing that it was not wholly responsible.

Mr. Xu said the amount of

repayment would depend on talks in London between staff of CITIC Shanghai and foreign counterparts.

are run up by subsidiarie:

recently to take a different route Malaysia. They also reportedly did not hinder a recent deal for companies for almost \$100 milbooked a purchase of \$-300 tanks and 80 armored per almost sile missile missiles by Knwait. Some carriers.

The \$-300 is Russia's answer to Western analysts are also ed financial products.

quoted in the article as calling this a misconception. (Reuters, Bloomberg)

**Bidder for Bund Building** The Shanghai stock exchange will bid against Hongkong & Shanghai Banking Corp. to buy that company's neoclassical former headquarters on Shangcompany, however, said foreign hai's waterfront Bund, Reuters partners had done much to reported from Shanghai, quothai's waterfront Bund, Reuters

ing the Xinhua news agency. The report quoted Wei Wenyuan, general manager of the Shanghai exchange, as saying the hourse's facilities were inadequate for the rapidly growing securities market. The Bund, once known as the Wall Street of China, now houses Shanghai's municipal government.

The government is to move to a new huilding before May 1995, and at least 18 buildings on the Bund are due to be sold.

### Beijing Plans **Further Easing** On Currencies

Compiled by Our Staff From Dispatches BEIJING - As part of its plan to loosen controls on foreign exchange, China will make the yuan freely convertible in current accounts by 2000, an official report said Sunday.
China liberalized its cur-

rency system at the start of this year to allow institutions with import contracts to huy foreign exchange for trade purposes directly from hanks.

Under the planned change, those institutions will be able to huy foreign exchange from banks for nontrade purposes as well, and individuals will be able to purchase limited amounts of foreign ex-change for study, travel and

visits to relatives abroad. Controls over foreign exchange in capital accounts will be gradually eased, the report said, but no timetahle has been set.

Current accounts cover trade, lahor, transportation, tourism and international donations.

Capital accounts cover direct investment, securities investment, loans from international organizations and governments, hank credits and leasing.

(AP, Reuters)

# Saber-Rattling Helps Russia Ring Up Arms Sales Meanwhile, Russia is helping rearm Iran. President Boris N.

By Craig Mellow

Special to the Herald Tribune MOSCOW - Russian arms are on the march again, not only in the breakaway region of Chechnya, but through cash sales to prospective war zones around the world.

JOH BILLIKEIS WOITY USE WEST ern powers far more than the fate of the rebel regime in Grozny. By the most conservative estimates, Russian arms producers doubled their foreign sales during 1994, to \$4 billion from \$2 billion.

This is a far cry from the peak of \$22 billion recorded by the as Cuha, Vietnam or Angola.

"Yugoslavia, Iraq and Libya which actually paid us for arms," said Alexander Pikayev, ales to prospective war zones a scholar at Moscow's Institute of the World Economy. "And they were all cut off by U.N.

As Russia receded on the world arms market, America moved forward. U.S. weapons producers racked up 73 percent of all Third World sales in 1993, with orders totaling about \$15 billion.

But this year Russian pro-Soviet arms "sales" were in fact cartel Rosvooruzhenie, made ness.

donations to client states such several counterstrikes deep within American territory. The most celebrated was a

were among the few countries sale of 18 M1G-29 fighter Clinton earlier this year to curplanes, worth an estimated tail the sale of advanced subma-\$550 million, to pro-Western rines to Tehran. But this accord anti-missile missiles by Knwait. sonnel carriers.
The S-300 is Russia's answer to Western and the American Patriot, which wary of Russian intentions in was used during the 1991 Gulf Syria and Libya. "If we have War.

But Russia's most promising growth markets are in countries hitting Paris or London, that's the West considers less trust-worthy holders of advanced

weaponry. Moscow is awaiting ca's Carnegie Foundation. Iraq's return to the market as a Soviet Union in 1987, but most ducers, led by the new export huyer with unconcealed eager-

### Seoul Notebook

# **Developed? That Depends**

Can the world's 15th-biggest economy, with a per-capita income approaching \$10,000, be considered a developing nation? Yes, according to South Korea's president, Kim Young Sam, who lobbied for such a status at last month's Asia-Pacific Economic Cooperation conference in Indonesia. In line with the group's nonbinding agreements, the classification will give the country until 2020 to drop its trade barriers, 10 years later than the deadline for developed nations. But is South Korea really a developing

achieving per-capita income of \$10,000, its gross national product ranks 15th in the world, and in volume of trade it ranks 12th. In a recent survey of competitiveness by the Daewoo Economic Research Institute, South Korea had a score of 56, compared with an average of 100 for the 25 members of the Organization for Economic Cooperation and Development — a group that Seoul hopes to join in 1996. That score put it just behind

nation? It is only a year or two away from

Spain, which now ranks 11th. But South Korea ranked last in that survey in industrial and labor productivity, as well as in transparency of husiness regulations.

"Korea is a developing nation," said Han

Sang Chun, a senior economist at the institute who prepared the report. "The scale of the economy is very wide, but the quality of the economy is very low." A closer look reveals a sharp dichotomy: Electronics, automobile, shipbuilding, steel and other major export industries targeted by the government as strategic have achieved high levels of competitiveness. But highly

tors are far behind. By the year 2010 we'll definitely be a developed nation," said Kim Kyeong Won, a senior economist at the Samsung Economic Research Institute. "But now we're in the middle because of unbalanced development, a legacy of centrally planned development schemes."

protected retail, financial and agriculture sec-

Few Get Red-Carpet Treatment

The Hermit Kingdom, as foreigners dubbed Korea during the Chosun Dynasty of the 19th century, is losing some of its xenophobic fervor.

With exports mushrooming, more companies are hiring foreigners to help with a variety of jobs, from personnel to marketing to incering. There also are an estimated 80,000 foreign laborers, many of them illegal, helping to relieve a shortage of workers. They come mostly from Pakistan, Bangladesh, the Philippines and China.

Samsung Electronics, which this year will surpass the \$10 hillion mark in exports, hired six foreigners this year, the first ones it had taken on as permanent employees.

We're trying to become more international," a company spokesman, Lee Meong Woo, said. "We're hoping to learn from them how they think and work."

Employees of SsangYong Securities, how-ever, were unprepared when they read in August that a 38-year-old U.S. citizen had been offered an unheard-of \$1 million to become a director and head of research. "The amount I make is beyond the pale by Korean standards," said the employee, Ste-

phen E. Marvin, adding that the reported figure "is not grossly inaccurate." Mr. Marvin said he had a good working relationship with his colleagues and that he showed up at board meetings every few months to make a report (in English). But he acknowledged that behind his back, xenophobia lurked. "Everybody's watching and looking for a way to trip me up," he said. "I'm totally isolated."

### Bankers Hear Stocks' Siren Song

South Korea's banks, slowly emerging from the yoke of government, are finding playing Seoul's soaring stock market more

hucrative than bread-and-butter lending.

Seeing opportunity in a stock market that has jumped nearly 20 percent this year, the nation's five biggest commercial hanks increased their stock holdings by an estimated 72 percent in the first nine months of 1994, to about 3.1 trillion won (\$4 billion) from 1.8 trillion in September 1993.

In contrast, growth in lending to companies in won came to just 8 percent in the first six months of the year.

The government, worried about the shift away from core banking activities to speculative stock investments, and about a credit squeeze on small and medium-sized businesses, has been telling the banks to back off. But the banks, trying to book profits to offset bad loans equal to an estimated 18 percent of total lending, are paying little attention.

While their investments have been profit-

able so far, there is the inescapable risk that the stock market could tumble. If so, South Korean investors — many of whom assume that banks never lose money on their investments — could be in for a shock. "The stock market can't go up forever." said

Kim Kyeong Won, a senior economist at the

Samsung Economic Research Institute. "When

it goes down, there will be huge problems." Steven Brull

# Santa Fe Refuses to Auction Itself

Bloomberg Business News

SCHAUMBURG, Illinois -Santa Fe Pacific Corp. rejected over the weekend Union Pacific Corp.'s request to hold an auction for the railroad and suggested the hostile suitor submit a sweetened bid.

Santa Fe's response on Satur-day quashed Union Pacific's overture on Friday to increase its \$3.2 billion hid if Santa Fe established a fair bidding pro-

Santa Fe's board "has not put the company up for sale and it is not considering an auction," The Santa Fe chairman, Robert Krebs, wrote to Drew Lewis, the Union Pacific chairman.

Mr. Krebs said furthermore that Union Pacific should sub-

that it was willing to discuss gal specialists said. revisions to its proposal "pro-vided that Santa Fe establishes

a fair process" to consider competing offers. Mr. Krebs shot back Saturcontinuing to trade letters on \$16.875. Union Pacific stock process' issues serves any use- also rose 12.5 cents, to \$47.50.

ful function." Santa Fe has consistently re- shares rose 50 cents, to \$51.50.

mit without delay its sweetened buffed Union Pacific's adoffer if it was "willing and able to improve" its proposal.

vances, preferring to bargain with Burlington, leading Union

to improve" its proposal.

Union Pacific and BurlingPacific to cry foul.

Santa Fe believes it has given ing offers for the Atchison, To- Union Pacific enough informapeka & Santa Fe Railway Co., tion for a new hid. It also has m what has become a battle for long insisted the company was dominance in moving freight in never put up for sale. As a re-the western United States. sult, Santa Fe can choose be-Union Pacific said Friday tween the competing offers, le-

block, courts have ruled, in most cases it would have to go to the highest bidder. Santa Fe shares closed up day that "I am not sure that 12.5 cents on Friday, at

and Burlington Northern's

If a company is placed on the

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Admiral's Cup Winner with enamelled nautical pennants marking the hours. Registered model. For a brochure, write to: Corum, 2301 La Chaux-de-Fonds, Switzerland,

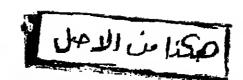
Industrial Sectors/Weekend close 12/16/94 12/9/94 % close close change Capital Goods 113.52 112.19 +1.19 Energy 112.83 112.04 +0.71 Raw Materials 130.30 128.11 +1.71 Utilities 125.87 122.57 +2.69 Consumer Goods 102.75 102.71 - +0.04 Finance 112.41 111.84 +0.51 Services 112.26 111.31 +0.85 Miscellaneous 114.31 113.68 +0.55 The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Nethertands, New Finland, France, Germany, Hong Kong, Italy, Mexico, Norway, Spagapore, Spain, Sweden, Switzerland and Venezuela, For Tokyo, New York and London, the Index is composed of the 20 top assess in terms of stocks are emissionation, otherwise the sen top stocks are tracked. **CURRENCY RATES** 

Amsterdom Brussels Freskfurf Loodod (a) Modrid Millan New York (b) Ports Tokyo Torasto Zurich 1 ECU 1 SOR Closings in A	5,4146 100,48 1,372 1,3285 1,2745 1,4571	226 1.11N 9.9 265 1.65 - 2.60 1.665 0 1.572 1.665 0 1.572 1.565 0 1.572 1.565 0 1.572 1.571 0 1.655 1.571 0 1.655 1.572 1.5711 1.725 1.5711 1.725 1.5711 1.725 1.5711 1.725 1.5711 1.725 1.5711 1.725 1.5711 1.725 1.725 1.725 1.725 1.725 1.725 1.725	9,294 0.00 596 1,57 927 0.56 8,402 2,557 5,425 1,638 11,55 1,6 12,567 0.0 12,63 0.88 1,507 1,50 1,507 1,5	6 = 18.364 10 = 18.053 10 = 2.559 10 = 2.559 10 = 2.559 10 = 1.7491 11 = 3.1772 16 = 2.748 17 = 2.554 17 = 2.554 17 = 2.554	2229 1.3329 8.1677 48754 1.1674 75.64 0.671 1.0443 4.1129 — 19.295 1.6167 44.5081 1.3908	1.5572 2.33 1.5572 1.557 154.515 2.1461 180.25 1.3916 3.40 1.392 1.380 2.23 1.380 2.23 1.380 2.23 1.381 1.384 1.545 2.812 1.55 2.812 1.55 1.654 1.645 2.812 1.55 1.654 1.645 2.812 1.55 1.654 1.645 2.812	24.6 " 1.973" 204.29 132.09 4.756 " 4.756 " 1.851 " 1.857 " 160.465 191.54 fors. A.: not	
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WORLD STOCKS

صكذا س الاعل



# 46 Nations Agree to Spur East-Bloc Energy Investment Compiled by Our Staff From Dispatcher LISBON — Forty-six nations igned a European Energy Charter on investing in their countries the same investing in their countries the same in the sale of its nuclear than the sale of its nuclear than

LISBON — Forty-six nations signed a European Energy Charter oo Saturday aimed at stimulating lovestment in the energy sector in Eastern Europe and the former Soviet Union.

"This treaty sets the foundations for Russia's entry to an international netwill open up our economy dierribution and significant and to set up procedures for handling complaints of direction against foreign investors.

Mr. Davydov said Russia had decided Saturday to sign the treaty after said repatriation.

The document aims to encourage billions of dollars of investment in the

of investments from Russia. He said Russia bad wanted to be

quantitative restrictions on the import the conference, Charles Rutten, said of goods," Mr. Davydov said. "We they still had questions about its impliwould be against the European Union cations for them. applying any quantitative restrictions on Russia."

The European Union's energy commissioner, Marcelino Oreja, said trade in nuclear materials between Russia and the EU was covered by cooperation agreements signed in 1989 and 1994.

"The problems related to nuclear companies signed 18 investment agreements." The European Union's energy com-

Germany's economy minister, Gunter Rexrodt, said, "We in the European

ments Saturday in Islamabad totaling more than \$2.5 billion for oil, gas and power-generation projects.

The two governments also signed five agreements on research and cooperation in the areas of renewable energy resources and energy conservation.

"These agreements reflect the interest of private industry in America and the interest of the government of the United States in expanding business ties with Pakistan," the deputy U.S. energy secretary, William White, said.

e Bec. 20 Washington Federal Open Marker Committee meeting. Washington The Commerce Depart-ment reports October merchanduse trade and trade deficit. Santiage United Nation releases surra-mey of Latin American and Caribbean economies in 1994 and forecasts for 1995.

search, or FIPE, to release 30-day infla-tion rate. Outlook: Inflation likely to slow from 2.57 percent.

Earnings expected Consora, Oracle

Dec. 21 Washington The U.S. De-partment of Agriculture to release report on world coffee supply and demand. Washington Third-quarter capital

shareholders meeting to vote on a pro-posed restructuring. The transaction would eliminate \$98.5 million in debt, giv-ing creditors a 45 percent stake in the

company. New York City Council votes on added restrictions to public amoking in New

Dec. 22 Washington Final gross domestic product growth for the third.

Dec. 22 Westington The Com-merce Department reports personal in-come and spending for November,

ted Shoney's Inc.

(Reuters, AFP)

### **SHORT COVER**

### Malaysian Economy Steams Ahead

KUALA LUMPUR (Combined Dispatches) — Malaysia's economy extended its strong expansion during the third quarter of 1994, recording growth of 8.9 percent. Malaysia's deputy prime minister said Saturday.

The increase in gross domestic product followed growth of 8.3 percent during the previous quarter, said Anwar Ibrahim, who is also finance minister. He said the inflation rate moderated to 3.2 percent, compared with a 3.5 percent rate in the previous quarter. Malayan Banking Bhd., Malaysia's largest bank, said Sunday it was raising its base lending rate to 6.55 percent from 6.5 percent, effective on Monday. This is the bank's first rate increase in more

### South Korean Firm to Work in North

than two years after nine cuts this year.

SEOUL — South Korea's Ssangyong group has agreed to produce and export cement with North Korea, the South's domestic Yonhap news agency said on Saturday.

It quoted the group's vice chairman, Lee Chou-born, as telling reporters upon arrival in Beijing after a five-day visit to Pyong-

yang that his concern would also agree to take part in projects to build free-trade zones in Rajin and Sonbong in North Korea.

Mr. Lee had led a 12-man team to discuss economic cooperation with North Korea, the first South Korean businessmen to visit North Korea since Seoul banned practically all economic contact in late 1992. The government last week allowed Ssangyong and five other South Korean companies to visit North Korea after lifting a ban in November on business trips to North Korea and allowing local companies to set up officer there. Korea and allowing local companies to set up offices there.

### 4 Latin States Launch Trade Zone

RIO DE JANEIRO (AP) - The presidents of Brazil, Argentina, Paraguay and Uruguay signed an agreement on Saturday that joined their countries in the region's first free-trade bloc and the world's fourth-largest trade union.

The new Mercosur group, which represents about 200 million people with a domestic product of \$750 billion, will come into effect on Jan. 1 and has been negotiated over the last four years. It follows a decision a week ago by 34 countries to form a hemi-sphere-wide free-trade union early in the next century.

### U.S. Shoe Discusses Sale to Nine West

CINCINNATI (Combined Dispatches) — U.S. Shoe Corp said that it has conducted confidential discussions regarding the potential sale of its footwear operations in a taxable transaction to Nine West Group Inc.

U.S. Shoe said late Friday that the companies had made "substantial progress" toward resolving many complex issues but that agreement bad not yet been reached. Nine West had made an offer in July of \$425 million but it was rejected. (Reuters, NYT)

# The Week Ahead: World Economic Calendar, December 19 - 24

# Spanish Retailer Calls In Receiver

ciados, Spain's second-largest late 1995, but this did little to department-store chain, said Sunday it had filed for receiverlion pesetas (\$485 million).

lems, said it had made the filing said the government would not Saturday to try to protect jobs. bail out the retailer. Nevertbeless, more than

stration by its employees in Madiscussing buying some of the drid on Sunday to protest what the workers called bad business store chain Harvey Nichols also policies and to demand new is believed to be interested. management. Similar protests 29 stores around Spain.

Galerias, which has nearly 7,500 employees and has gone through several changes of ownership in the past 15 years, continue to operate normally has steadily lost market share to while the courts studied its fithe Corte Ingles chain.

In September, a spokesman The news was a blow to a said Galerias would not survive country saddled with an unemunless it could refinance its debt and find a new partner or investor to bring in fresh capital.

The company's three main recently announced plans to lay creditors — Citibank, Lloyds Bank PLC and Barclays Bank (Reuters, AP)

MADRID - Galerias Pre- it to delay debt payments until

improve its finances. Spain's minister of commerce ship with debts totaling 64 bil- and tourism, Javier Gomez Na-Galerias, hit by a dwindling the government was negotiating market share as well as finan-with foreign groups interested varro, confirmed last week that market share as well as finan-cial and organizational prob-in taking a stake in Galerias. He

Marks & Spencer PLC of 3,000 people joined a demon- Britain said last month it was

Galerias is now owned by were held at many of Galerias's Abartak, a group of Spanish investors headed by Justo Lopez Tello, Fernando Sada and

Santiago Mollinedo. The company said it would nancial condition.

ployment rate of 24 percent, the highest in the European Union, The state-owned airline Iberia

Compiled by Our Staff From Dispatcher PLC — agreed in April to allow

of "U.S.-China Trade Relations: On the Right Track."

Jakarta Fajar Surya Wissea, a paper-maker, to list 47 million shares, priced at 3.200 apices, on Jakarta Stock Exchange. Jakarta Heavy equipment company Haxindo Adiperkasa tentatively to set 10 million shares of 3,900 ruptah apice in a bid to list on the Jakarta Stock Exchange. Tokyo inaugural press conference of Yasuo Matsushita, governor of the Bank of Jenan.

of Japan.

Petriling Jaya, Melaysis Gamuda Bhd., a construction company, to hold stock-holders' meeting to discuss proposed bonus, rights and bond issues and various Dec. 20 Jakerta Shares of the

Bec. 19 Sydney Merchandise im-

ports for November. Hong Kong Independent Commission Against Corruption Commissioner Ber-trand de Speville to speak to the Foreign

Correspondents' CRub.
Hong Koeg Joseph Massey, Interna-tional Strategic Advisors managing direc-tor, speaks to the American Chamber of Commerce in Hong Kong on the subject of "U.S.-China Trade Ristations: On the Blook Touch".

clothings retailer Karwell indonesia scheduled to list and trade in Jakarta from today. The company sold 20 million shares in an initial public ottering. Jakanta Jeewon Jaya indonesia, an etectronics company, to list 6.1 million shares of 4,500 rupleh spiece on the Ja-

Wellington New Zasland government forecasts for economy and budget.

Taipel Tawan's Minister of Economic Affairs to release reports on industrial production, manufacturing output and export orders for November.

• Dec. 21 Sydney Motor vehicles registrations for November.

New Delbi Prime Minister Viktor Cher-

 Bee. 19 Frankfurt Aundestank December worthly report.
London East Midlands Electricity reports first-haif results.
Earnings expected Danisco.
 Bec. 20 Copenhagen November consumer price Index. Forecast: Up 0.3 percent in month, up 2.1 percent in year.
London November M-4 Forecast: Up 0.4 semantics month, up 3.8 percent. • Dec. 22 Hong Kong Government to

figures
Jakarta Shares of the agricultural comparry Davomas Abadii jo list and made on the Jakarta Stock Exchange from today. Bangkok Thai Airways International atockholders' meeting to elect new board Dec. 23 Hong Kong October retail

cales figures. Talpel Taiwan's Cabinet to release unemployment data for November.

• Bec. 24 Bangalore, India Ten-day National Consumer Goods Fair, organized by India Trade Promotion Organiza-

dex Forecast: Up 0.2 percent in month, up 2.0 percent in year, Frankturt November wholesal dex Forecest: Up 0.1 percent.

Frankfurt October current account.
Foreight A delicit of 4.0 billion DM.
Frankfurt November producer price in-

dex. Forecast: Up 0.1 percent in month, up 1.1 percent in year. ldust December preliminary cost of living. Forecast: Up 0.1 percent in month,

up 2.6 percent in year.

Macrid October producer price index.
Forecast Up 0.3 percent in month, up 4.2 percent in year.
Madrid 3rd-quarter gross domestic product. Forecast Up 2.1 percent in year. Madrid Third-quarter wage rises. Fore-cast Up 4.5 percent.

Rome October producer price index. Rome October trade balance, Stockholm November trade balance

Poec 21 London November trade batance, excluding trade within the EU. Forecast: \$75 milken-pound deficit.
London Minuses from the Nov. 2 mone-

0.4 percent in month, up 3.8 percent in

Paris October industrial production.

tary meeting between Chancellor Ker-neth Clarke and Eddle George, the Bank of England governor, retelessed. Bladrid November retail sales. Parts. November final consumer price ion- tranc surplus.

7.0 billion- want surplus.

Rome December consumer price index, cities. Forecast Up 0.2 percent in month. up 3.9 percent in year.

Boe. 22 Coperating Cotober yade balance and current account.

Frankfurt Bundesbank central council meeting, includes setting the M-3 money within the part for 1006.

supply target for 1995. London Third-quarter gross dome product and balance of payments.

 Dec. 19 Buenos Aires IRSA inversiones & Representaciones SA, an Argentine real estate company in which hedge fund manager George Soroe is the major shareholder, sets the price of the 54 million share rigids issue An indicative price has been client of 28 months per price has share ngras raises any inscuring price has been given of 2.8 peace per share. Satistago Government sale of 67 per-cent of state-owned shipping company Empresa Maritima SA, or Empremar, The government has fixed a minimum price of \$2.5 million on the shipping company. Maxico City October unemployment peter The unemployment peter. The unemployment rate. The unemployment rate in Septem ber stood at 3.5 percent.

# Washington Durable goods orders for November, Ottawe Employment, earnings and

Santiago Central Bank release month? senting Central Bank resease morniny indicator of economic activity, for Octo-ber, a crude measure of the growth in gross domestic product. Outlook: Expect-ed to rise between 4 percent and 5 per-cent on an annual basis. Medeo City Gross domestic product re-port for October.

# **BusinessWeek**

### This week's topics:

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# **Vox Reports** EC Approval

BONN - Vox Film- & Fernseh GmbH, the German television channel, said Sunday that the European Commission had approved its new ownership structure, under which a subsidiary of News Corp. will become its

largest shareholder. The News Corp. unit Internation has 49.9 percent of Vox.

Vox said the owners had taken it out of liquidation and approved a budget for 1995. Vox nearly went off the air but was given a new lease of life when News Corp. got involved.

# ARMS: Revived Russian Exporters Double Their Sales

said, involves the transfer of missile production technology. Russians increasingly see criticism in the West as an excuse to keep them out of markets Moscow desperately needs. "I don't really see how Iran having submarines threatens the United States," said Mikhail Gerasev, a scholar at Moscow's Institute of the U.S.A. and Canada.

The London-based International Institute for Strategic Studies has estimated that Russia's annual arms sales could reach \$15 billion if Iraq, Syria and Libya all go on shopping sprees. Mr. Gerasev put the maximum at \$10 billion, which he called "not enough to save our military complex, but

with Russia's own procurement budget."

nounce new aid commitments. Foreign Minister Andrei V. Kozyrev had little time to spare for Mr. Preston since he had commitments with his Iraqi counterpart, Tariq Aziz, Mr. Yeltsin had a more im-

### For investment information

Read the MONEY REPORT

**WORLD STOCKS IN REVIEW** 

### Amsterdam

Prices edged higher in moderate trading, with the EOE indicator up 0.69 point, to 408.38. Fokker slid to 11.20 guilders from 14.50 following a downward revision of earnings fore-

casts for 1994. DSM, the chemicals company, was up 0.8 percent after reports that year profits were set to top 400 million guilders.

# Frankfurt

An optimistic earnings projection by Siemens gave the market a boost late in the week. The DAX index gained 2.06 percent, ending at 2,070.06 points.

Thursday accounted for much of the rise after Siemens 20 percent in its current finan-cial year, to 2 billion DM. Siemens stock was up 37.50 DM for the week, ending at 637.50.

Meanwhile, Daimler was up
7.50 at 747, Volkswagen progressed 9.50 to 423 and BMW rose 10 to 748. Allianz gained

61 to end at 2,499. But bond prices weakened, with the average yield on gov-ernment issues ending Friday at 7.39 percent, up from 7.31 per-

cent the previous week. Despite lagging consumer demand in the run up to Christ-mas, retailers Kaufhof and Karstadt gained 25 to 457 and 14.50 to 559, respectively.

### Hong Kong

Prices jumped during the week on strong selective buying from overseas institutions looking for cheaper shares after earlier free-falls.

Interpretation of the horizontal and the horizontal Swire Pacific A gained 1.70 dollars at 46.80 dollars, Cathay

Pacific Airways added 50 cents at 10.90 dollars and Hongkong Land rose 35 cents to 15.50.

### London

The Financial Times-Stock Exchange 100-share index 36.3 points during the week, or 1.2 percent, to close at 3,013.6 on Friday, as investors overcame inflation fears.

Although the market took the surprise 0.5 point hike in interest rates on Dec. 7 in stride, traders appeared to fear another rate rise at the beginning of next year as inflationary pres-

The market was taken by sur-prise on Thursday when S.G. Warburg announced that discussions on a possible merger much of the rise after Siemens with Morgan Stanley had been said it saw profit moving ahead terminated. Warburg promptly

### Milan

The Mibtel index rose 97 percent, to 9,704 points, leaving the political crisis threatening the position of Premier Silvio Berlusconi behind.

Investors were encouraged by Mr. Berlusconi's ebullient resistance to moves within the opposition and in his own coalition to replace him as well as by strong foreign demand.
Fiat rose 240 lira to 5,720,
while Olivetti ended up 8 at

1,940 and Telecom Italia moved

### ahead 169 to 3,875. *Paris*

A falling franc pulled down stocks, and the CAC-40 index lost 0.6 percent, ending at 1,924.16. Dealers forecast the ear would end with the index

15 percent below the 2,268.22 at which it began 1994. The franc fell after European Commissioner Jacques Delors

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Principal Manager: James Derek, Jaff Hurwit Associates. 230 Congress Street - Boston Massachussetts - 02110 USA. Phone: (1) 617 426 2244. Institul Azazel 11300 Pauligne, France. Tel.: (33) 68 31 88 00

### Continued from Page 9 enough to solve some problems Preston, visited recently to an-

Such a figure would also be

more than twice what Russia received in Western aid this year, weakening the most concrete incentive for what America and its allies consider good

With poor second-half re-

Prices rose as blue-chip stocks

recovered some of the recent

losses that were spurred by fears of rising U.S. Interest rates.

The Stock Exchange of Singapore's Straits Times Indus-

trials index moved ahead 67.44 points, ending at 2,169.72.

Dealers said trading was dominated by local fund man-

agers picking up blue-chips bar-gains after heavy selling by their foreign counterparts. The market is expected to remain

volatile until the return of for-

Prices rose in line with an ad-

ne Nikkei Stock Av-

vance on Wall Street and a sta-

ble dollar-yen exchange rate.

Tokyo

sults forecast, Peugeot was

down 22 francs at 725.

Singapore

portant engagement as well. He flew to the city of izhevsk to celebrate the 75th birthday of The ongoing shift in Russia's Mikhail Kalashnikov, the inpriorities was obvious when the ventor of the world's all-time

every Saturday in the IHT

Brokers feared the overall cent, higher than a week earlier. French climate would be ad-Volume weakened, with the versely affected with no serious average value of daily transactions falling to 230.9 billion year challenge from the left for president, leaving investors unsure of future policy on Europe and financial affairs.

from 268.7 billion yen. The index was expected to move in a narrow range below 19,500 for some time with public funds bolstering the market's downside and foreign investors remaining net buyers by small

margins, traders said.
"Individual investors are apparently shying away from the stock market. But quite a few of them are willing to resume investment in stocks if there is incentive," said Yasukuni Watanabe, president of Marukuni

Nippon Steel lost 8 to 355 and Kawasaki slipped 5 to 400.

### Zurich Zuricb finished upbeat with the Swiss Performance Index adding 11.46 points to end at 1,706.68, a rise of 0.6 percent.

SBS rose 8 to 363 and CS Hold-

ing was also up, rising 22 to 546.

In the insurance sector, Zurich ended down 3 at 1,272 and Winterthur lost 5 to 667.

eign fund managers, most of whom have wound up for the year," said Vasu Menon, re-search manager of Keppel Se-curities, a local brokerage. Dealers said the market had been boosted by the recent strength of the dollar, but many investors were sitting on the sidelines to await the post-holiday period, analysts said. Among banking issues, UBS slipped 25 francs to 1,085, but

# erage closed at 19,163.43 points, up 185.13 points, or 0.97 per-CONFERENCES, COURSES AND EXHIBITIONS

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EXECUTIVE DIRECTOR	The Rainforest Foundation	The Rainforest Foundation 270 Lafayette Street Suite 1205 - New York, NY 10012 - USA
BI-LINGUAL OFFICE ASSISTANT (French-English)	Multinational Company	International Herald Tribune Box N <sup>O</sup> 932 Via Cassolo 6 - 20122 Milano, Italy
ENGLISH MOTHER TONGUE SECRETARIES	Clifford Chance	Antoine Tirard, DRH Clifford Chance 112, av. Kleber, 75116 Paris - France
ENGLISH MOTHER TONGUE SECRETARY	Randstad Interim	Randstad Interim 18. rue de la Pépinière,

# NASDAQ NATIONAL MARKET

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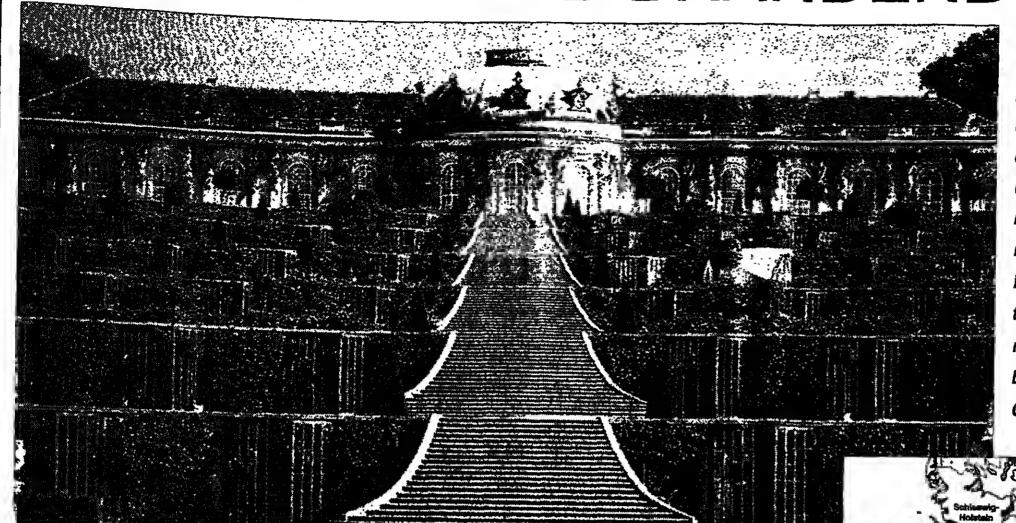
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# BERLIN AND BRANDENBURG



The state of Brandenburg, powered by an 8 percent growth rate, is quickly maturing into one of Europe's most advanced economies. Berlin, once regarded as an aging city with an aging population, today has an unexcelled number of young companies, recently launched development parks and newly arrived talent. Their growing business, institutional and personal ties are integrating the two states, forming one of Europe's most vital regions - now becoming the home of Germany's federal government.

> The City-State of Berlin

The State

kilometers

(129.000)

Berlin

Brandenburg

of Brandenburg Area: 29,059 square

Population: 2.6 million Capital: Potsdam (139,000) Other major cities: Conbus

Brandenburg (90,000) Frankfurt an der Oder (85,000)

Area: 883 square kilometers Population: 3.5 million Mayor: Eberhard Diepgen

A step at a time: Berlin and Brandenburg are moving ahead as Germany's capital region. Above: Frederick the Great's Sanssouci castle in Potsdam.

# AFTER THE TURNAROUND, BRANDENBURG TAKES OFF

The cumulative figures speak of rapid growth in this four-year-old state.

Brandenburg's economy is heading toward an 8 percent increase in 1994, an alltime record for the state. At latest report, the state's industrial sector was leading the way. Its output was up 10.7 percent, with orders showing an overwhelming 26 percent rise. A corresponding growth in the state's industrial work force has caused the number of unemployed in the state to drop 16 percent over the past year.

Also very encouraging for the state's eco-nomic policymakers is the 14 percent rise in exports in 1994, including a jump of 49 per-cent in those to industrialized Western countries. Record totals of orders on hand is just companies in Brandenburg - a record for Germany – expect to register increased sales in 1995, according to a survey just released by Cologne's Institut der Deutschen

### **Cumulative effects**

These broad-scale, substantial increases, points out Burkhard Dreher, the state's minister of economic affairs and technology, "represent the sum total of hundreds of radical transformations of individual industries and individual communities."

Nearly all of these transformations bave been far more difficult and complex than the simple overall figures and relatively short time spans would suggest.

Originally, the verdict from outside observers was clear: in the postunification period, Frankfurt an der Oder would be a "subsistence case," surviving on the transit traffic passing through the city on its way to and from Poland, and on its engineering and construction activities, long a specialty of the city. Frankfurt an der Oder was not expected to flourish, and certainly not to become one of Europe's budding centers of innovation in ICT (information and communications technologies).

In fact, Brandenburg was not expected to have an ICT sector at all. The conventional wisdom of the early 1990s foresaw a few satellite operations surviving on subsidies in Dresden and Erfurt - and nowhere else in Germany's new states.

### What really happened

Today, in a first for all of Europe, new, ultraefficient ASSET (all spacer separation element transistor) bipolar transistors for silicon-based chips are coming from SMI System Microelectronic Innovation GmbH, a company successfully refloated in 1993. Some 49 percent of SMI's equity is held by Synergy Semiconductor Corporation (Santa Clara, California). Frankfurt an der Oder's Institut für Halbleiterphysik (institute for semiconductor physics) has come up with revolutionary new ways of patterning and designing silicon for use in chips. A locally based company. Softwarehaus Dr. Maye, has developed a highly promising "image manager" for use by the police force and insurance companies.

Also in Frankfurt an der Oder is a flourishing measurement technologies sector, whose electronic-based products are used in a wide

variety of industrial applications. In one way, Frankfurt an der Oder has lived up to earlier expectations. It has become a specialist in promoting German-Polish relations, partially thanks to the founding of its binational Europa University Viadrina, currently the newest university in the new states, and one of eight institutes of higher learning founded or reorganized in Brandenburg over the past five years.

Also new in Frankfurt an der Oder is an international business park and a world trade center. This city's metamorphosis illustrates a statewide pattern, according to Manfred Stolpe. Brandenburg's prime minister (governor), that shows "a willingness by both the government and the people of this state to take on adverse situations and turn them

Nor are the state's ICT activities confined to Frankfurt an der Oder. Mobile telephone networks, devices and related services are booming in Germany. Many of the country's 2.3 million mobile telephones (a number set to double over the next two years) are now tung better reception, thanks to a SAW (surface acoustic wave) intermediate filter developed by Teltow's Tele Filter GmbH. Other examples of Brandenburg's IT industry include a hard disk testing center in Schwante,

The sum total of these innovations, new companies and rebuilding communities is a bald statistic - the ICT and electronics sector's turnover is now up 49 percent over the previous year's.

One more simple statistic - a 20 percent growth in the turnover achieved by the state's chemical sector - reflects another complex turnaround, this one centered on such communities as Schwarzheide, located at Brandenburg's southern tip.

### The investment miracle

In 1990, Schwarzheide was facing a situation common to a dozen communities in Brandenburg. It had an aging industrial stock and a sprinkling of newly founded companies, an uncertain economic future and a definite problem with industry-caused damage to its environment.

Then came BASF, one of the world's four largest chemical companies, which decided to invest 1.3 billion Deutsche marks (\$226 million) in the building of 10 production fa-cilities in the city. Overnight — or so it seemed — Schwarzheide had an economic future and tax revenues to devote to its environment, and Brandenburg had a large piece of a new chemical industry.

That is the way it looked from the outside. In fact, remembers Mr. Dreher, who was involved in the process from the state government side, the negotiations setting up the investment involved assembling thousands of facts and figures into proposals for BASF to consider. After the company decided to invest in Schwarzbeide, the state's business developers bad a new responsibility: fasttracking various approval processes through ministries and authorities that had not existed a few months before.

### Getting it done

This speed and efficiency of business development in Brandenburg is mentioned approvingly in a recent issue of impulse magazine, which lauds the state's "get it done" attitude. This attitude caused some 17.8 billion DM (according to a conservative estimate) in private-sector investment to flow to Brandenburg in the period 1991-93.

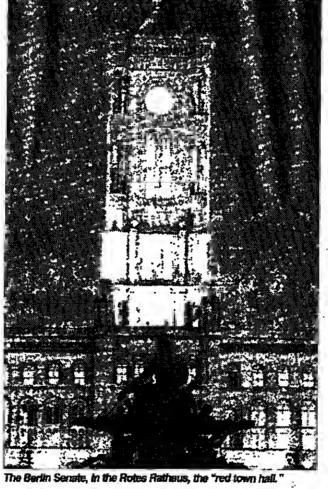
To find out why this figure is expected to amount to 5.3 billion DM in 1994, up 8 percent over 1993's figure, it is necessary to follow what has been going on after the first wave of investment in Brandenburg came to an end, and return to Schwarzheide.

The first of BASF's 10 facilities at Schwarzheide was completed in November 1993, with three more following. While

Continued on page 14



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# PROGRESS TOWARD 1999 Unification



Berlin's governing mayor, Eberhard Diepgen.

Eberhard Diepgen is Berlin's governing mayor. Born in 1941, Mr. Diepgen has a degree in jurispru-dence. In 1971, he was elected to West Berlin's city-state parliament, and in 1984, he was elected governing mayor of West Berlin, a position he held until early 1989. In 1991, he was returned to the governing mayorship of the now unified city.

On the pace of the unifica-tion of Berlin and Brandenburg and that of the reloca-

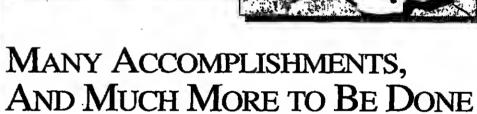
tion of Germany's federal government to Berlin: "Everybody has had the feeling, at one time or other, that both processes could be - should be - unfolding much more quickly. At those times, it's a good idea to step back and consider the import and impact of these processes. What's involved is the relocating of the government of one of the world's leading countries and the joining of two federal states - a first for modern Germany. In view of what is at stake in both these processes, the taking of time for a bit of careful consideration and detailed discussion is inevitable, and perhaps not inadvisable.

"However, discussion and deliberation does not at all imoly delay. Neither process is behind schedule. The joining of Berlin and Brandenburg will take place, as foreseen, in 1999. Before then, the parliaments and the residents of both states will have voted on the draft treaty of union.

To perform its many operations and handle its many responsibilities, the federal government will require a large stock of buildings, extensive transport infrastructure and a wide variety of services. All of these are currently being constructed, revamped or procured. Everything will be in place in Berlin by 1998, when the two-year process of relocation is set to start.

On where Berlin stands now:

"Anybody who has walked through Berlin and seen the construction sites, the newly completed buildings and the new stores and companies knows that Berlin is the focal point of the uniting of Germany - and I mean this both physically and psychologically. Anybody who was in Berlin in the old days, the days in which a wall divided us from each other, knows how very far we in Berlin have already come. Anybody intending to completely rejuvenate this city, to give it a new flexibility and modernity - and that is very much the objective of this government - knows how very much there still is to be done."



Born in 1936, Manfred Stolpe has served as Brandenburg's prime minister since the state's inception in October 1990. In 1994, he was re-elected with a 54 percent of the total vote. After having studied law, he spent 30 years serving East Germany's activist Protestant church, rising to head the church's council for the Berlin-Brandenburg region. At what stage is the unifi-

cation process between Berlin and Brandenburg? With one exception, the only problems remaining are psychological ones. The negotiating teams from Berlin and Brandenburg have made great progress toward resolving a whole range of complicated, practical issues, ranging from the staffing of the new state government to various local/state divisions of pow-Brandenburg. er. The exception is the exact apportionment of federal revenue-sharing funds on the municipal level, and even in this area, there are no insurmountable obstacles to be overcome. The psychological ones include concerns known all over the world. Communities outside a large metropolitan area and greater Berlin has some 4.5 million residents - are afraid of coming under its

Other problems are specific to Berlin and Brandenburg, and are products of our unique history. After being an integrated region, Berlin and Brandenburg were partitioned into separate areas by the Cold War. Each of these areas gradually formed its own local culture and identity. We are noticing the results of this rift today, in the lack of perception of a common fate and of common ground. Both state governments have been working to

sway, of its numerical

might. This is very much a

concern in rural Branden-

allay these fears and forge practical form of unification. links between Berlin and Brandenburg. What does this entail?

The process of the unifica-

tion of Berlin and Brandenburg has generated a healthy, cathartic amount of debate and controversy. Many of the questions brought up during these discussions bave been addressed and laid to rest through the reaching of bistate agreements, creating a further impetus toward unification. The two states' politicians have eradicated many prejudices and alleviated a number of worries by simply visiting the other state, and engaging its citizens in dialogue. The process of unification has been given repeated boosts by its two strongest allies: the rapidly transforming economies of Berlin and

Manfred Stolpe: "Brandenburg's rapid growth has dispelled fears in Berlin of being saddled with a needy 'poor relation,' and in Brandenburg of being dependent upon Berlin's largesse."

Brandenburg's rapid

growth has dispelled fears in Berlin of being saddled with a needy "poor relation," and in Brandenburg of being dependent upon Berlin's largesse. More important, the transformation has spawned thousands of new companies in both states. These companies have been actively seeking partners. suppliers and distributors, often finding them in the other state. The number of these bi-state business relationships is mushrooming. Every day, these bi-state partners engage in a very

Perhaps the greatest force for unity is a simple fact: We in Berlin and Brandenburg are now very well-acquaint-ed with each other and with each others' state. Students commuting from Cottbus to Berlin, teachers relocating from Berlin to Cottbus, tourists from both states going everywhere in both states - there is now a tremendous amount of mobility of occupation and recreation within Brandenburg and Berlin, and that mobility is breeding familiarity - and trust.

What time frame are you now projecting for the completion of the process of transformation?

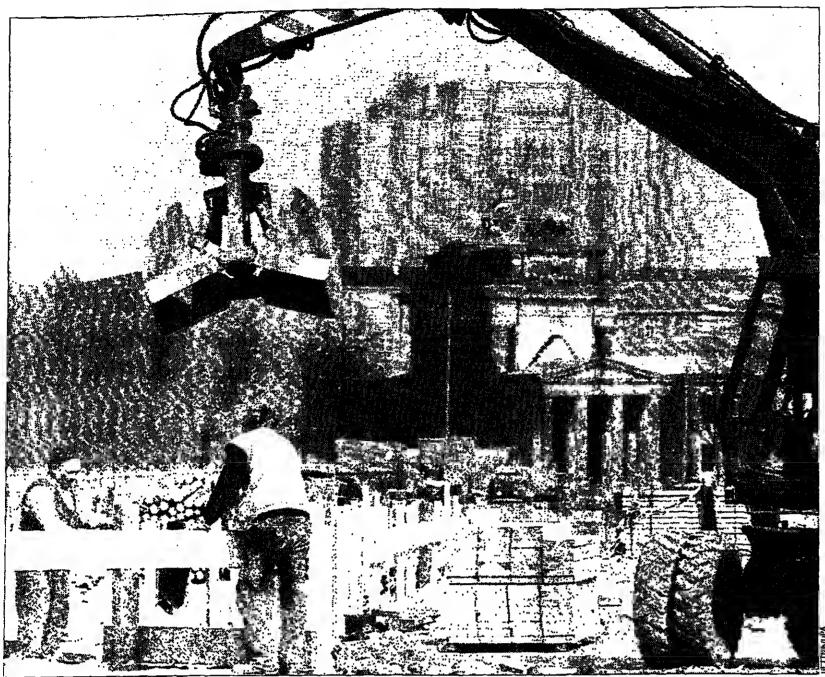
Its sbeer scope and complexity mandates that it won't be before the end of tbe decade that the main phase of this transformation will be complete.



This process will never be entirely concluded. In this regard, Brandenburg is no different than anywhere else in today's world. While Brandenburg bas been accomplishing four decades of catching up within four years, the outside world has kept on developing, and will continue to do so.

The most encouraging aspect of Brandenburg's situation is that its centers of transformation feature mixes of products and services and employ technologies already on a par with those found in the world's advanced areas.

### BRANDENBURG AND BERLIN GERMANY:



# TAKEOFF OF STATE

Continued from page 13

work on the others is rapidly being completed, a followup facility has issued from the drawing tould.
This 100 million DM fa-

cility, also located in Schwarzheide, is owned by BASF and the U.S. General Electric. It will start producing plustics for the automotive and capital goods indus-tries in 1996.

Anther example of followup and second-stage investment is BMW Rolls-Royce. which is now building a secand, 200 million DM facility for the production of jet engines in Dahlewitz.

Sleek new facilities

Almost all the newly completed industrial facilities are inconspicuous low-rises. generally clustered in near, new business parks, mostly out of sight of the casual traveler.

What catches the traveler's eye are the splashy spreads of shopping malls and hotels, blocks of perfectly restored apartment buildings and ribbons of freshly paved roads found through-

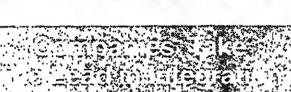
out the state. This ongoing transformation of the state's "capital stock" has found due expression in official statistics. which are reporting a 29 percent rise in the construction industry's turnover in 1994. A 26 percent increase in orders means that 1995's figure should remain at this

high level. This transformation has reworked the business bases of such small, enterprising cities as Cottbus, Brandenburg, Eisenhüttenstadt and Wittstock, which have become centers providing nearly every imaginable kind of engineering, construction and other technical services.

### **Business development**

Brandenburg features an exceptional depth and breadth of business development activities. Wirtschaftsförderung Brandenburg GmbH serves as the link between the state's economy and the international business com-

An additional 22 development corporations work on securing investment for their particular communities and regions - by far the largest number of such organizations in any of Germany's new states. For prominent members of the state's business, scientific and cultural communities wishing to participate directly in furthering Brandenburg's development, there is Pro Brandenhurg, a vehicle for consensus-building.



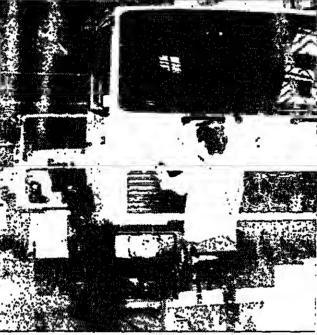
of state-to-state agree-ments and flows of commuter traffic have gotten the lion's shere of attenthe company-to-company level that the unification of Berlin and Brandenburg is finding its fullest and most significant expres-

At least, that is what recent studies are reporting. According to their Brandenburg's compa- prizes. nies now have close 50 percent of Berlin's development funds.

The ever-growing spate companies have similar arrangements in Brandenburg. Fully one-seventh of both states' industrial sectors have made tion, but it is actually on major investments in the other state, according to a report issued by local chambers of commerce.

To further these ties, the states hold joint "suppllers' exchanges," in which producers get together with potential suppliers in the region and findings. 70 percent of award bi-state innovation

They have also set up working relationships with bi-state redevelopment companies in Berlin, and authorities and various



The look of Berlin in the 1990s: ever since the Wall came down, new buildings have been going up. An estimated 100,000 to 200,000 new jobs will be created in the city next year.

# NOT A SUBJECT OF DEBATE: BERLIN'S GROWING DYNAMISM

To what extent will The Move transform Berlin's economy and cityscape?

Every detail seems to be the subject of debate: Will the relocation of Germany's federal government involve a net transfer of 7,000 or 16,000 officials, a cost of 24.9 billion Deutsche marks (\$15 billion) or 35 billion DM, a total of 350,000 or 450,000 square meters in office space - and will it be

completed by 2002 or 2005?

Another subject of speculation is the size of the relocation's multiplier.

According to a study undertaken by Bankgeselischaft Berlin AG, the move will probably generate somewhere between 151 billion DM and 318 billion DM in additional investment in greater Berlin's economy. It should produce between 251,000 and 408,000 permanent jobs. All of these fore-casts are, in turn, based on a variety of scenarios and assumptions.

Getting down to husiness

While the forecasts fly and preparations for the event itself continue, the reconstruction of the city-state's business base is proceeding systematically and rapidly, as is the eco-nomic unification of the city's two halves. Says Eberhard Diepgen, Berlin's govern-

ing mayor: "The progress achieved during the last four years has arisen from a successful division of responsibility between the public and private sectors, both of which have spent the last five years planning, investing and learning. The public sector's ac-nivities have yielded modern transport and telecommunication systems and infrastructure and dozens of innovation centers and technology parks. Using and filling them have been our city's resurgent private sector and its newly founded or newly re-engineered companies with their newly built or re-equipped factories and office buildings."

Investment in infrastructure has been mas-

sive. Four years ago, a 60 billion DM program to upgrade Berlin's mass transit, roads. railroads, telecommunications and power and water supply networks was launched. Along with this investment came a great improvement in the quality of the city's environment, Today, Berlin's levels of air pollutants are one-third to 85 percent below those of 1989; notable exceptions are ozone and

Breakthrough technologies

This has spurred a huge renewal of the private sector. "Some of the newest and most exciting products issuing from the city are heing menufectured by the medical tech-nologies, materials handling and electronics sectors - all longtime corporate mainstays in Berlin," says Mr. Diepgen, "It's getting difficult to find a production facility in Berlin that hasn't been either recently built or re-vamped. That's the biggest change over five years ago, and it applies equally to East and West. Today, both the city and its economy have an entirely new look.

Part of this new look is a surge in the service sector. In 1993, Berlin's business services sector had revenues of 40.3 billion DM, up 23 percent over two years earlier – one thing we've already achieved. We've and that in a time of international recession. Aside from items strictly related to the move putting itself through a top-to-bottom re-(such as the dramatic increase in tumovers)

from international wire services now based in Berlin), most of this increase has ensued

in Berlin), most of this increase has ensued from "parallel trends in both halves of the city," as Mr. Diepgen puts it.

"The service sector was underrepresented in each part of the city," Mr. Diepgen points out. "Metropolises generally function as service centers for their hinterlands, and that's something West Berlin didn't have for femsomething West Berlin didn't have for four decades. East Berlin's was shackled by East German rules and regulations. Today, both situations have completely changed. Talented people from all over Germany are flocking to all parts of our city, indisputably the most lively and enlivening one in the counmost lively and emircular or joining advertising agencies, finance houses and architects' offices. Many of their partners, bosses or employees are our city's local talent. They, too, have been making full use of the new opportunities.

**Growth sectors** 

The fastest-growing area of the service sector bas been in such relatively unglamorous but highly productive areas as the skilled crafts, construction and environmental technologies sectors.

Berlin's skilled crafts operations now employ a quarter of a million people, 45,000

more than three years ago.

The newest breed within the service sector is the project contractor. These multiservice providers coordinate and carry out the building of entire integrated infrastructure systems and production facilities. Behind the proliferation of contractors is their ability to draw on Berlin's clusters of expertise, which range from civil engineering to jurisprudence to production technologies.

"Many observers have called Berlin - and specifically its Western half – the great job creator for much of Germany's new states," reports Mr. Diepgen, "because of the 170,000 people commuting into West Berlin every day from outside the city. But I call the new states Berlin's job creator, because an increasing amount of our technical services companies are living from work in the

A turbulent five years

"Conversion. Privatization on a massive scale of state-run enterprises and the creating of a new business base in the East. The renewal of a mature business base in the West. The end of wholesale federal financial suppart for the city," says Mr. Diepgen, check-ing off the list, "Berlin has experienced, con-fronted and mastered each of the individual problems arising from Germany's unification and from Europe's ongoing integration, plus a few all our own. As the latest figures in Berlin's GDP, industrial production and export figures detail, the turnaround has started, and a period of long-term growth is

presumably at hand."

He adds: "Whether our growth in 1995 is 2 percent or 4 percent, whether we create 100,000 or 200,000 jobs next year, there is

# More Research Centers, **HIGHER TECHNOLOGIES**

Former industrial sites are being transformed into high-tech centers.

In the early 1980s, Germany's than a fraction of its site. As a result, business community began reading about a new idea in business development: a former industrial site's beig turned into a technology center. The first of this species was the Berliner Innovations- und Gründerzentrum (BIG), located in the city's Wedding district. Shortly thereafter, the world also began to hear tales of highly interesting products from absolutely unknown companies, a large number of them based in Berlin.

Since then, and especially since the reunification of the city, the number of technology centers and technology companies has multiplied. At latest, informal count, there were four major technology parks, 250 research and technology development centers and 2t industrial areas undergoing various forms of technological redevelopment in the city. All told, 50,000 people are employed in the city's R&D sector.

### More where that came from

Additional centers are in the pipeline. Under construction in Eastern Berlin's Marzahn and Pankow districts are two centers that will each have 30,000 square meters of space and house more than 70 hightech companies. Both are set for completion within two years.

Each of these centers represents an abundance of business struggles and innovative successes. Take Eastern Berlin's WF. Television tubes are still being made at Werk für Fernsehelektronik, to give WF its proper name. In fact, the facility's new owner, Samsung Elektronische Bauelemente GmbH, is now producing just under a million of them a year. When the South Korean company's 195 million Deutsche mark (\$124 million) investment program has been completed, the output will rise six-fold.

of WF's R&D staff, or use more es or bank buildings or moving

also now located on the former WF site are a slew of young, creative companies, all of whose activities have something to do with television technologies.

### Technological spin-offs

One of them is Vicor GmbH, which uses an ingenious mix of brute force and fine chemistry to recycle television and computer monitors, LCD displays and other highly polluting electronic devices.

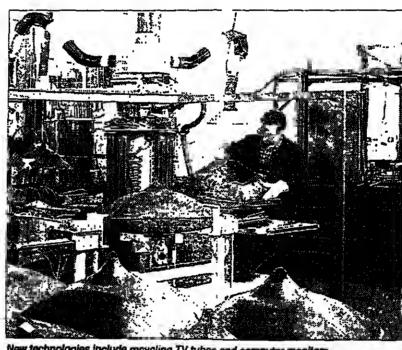
Showing an uncommon sense for the bottom line. Vicor earns a good living carrying out its recycling on a per fee basis for end users. The company also provides recycling services for some of Germany's major computer producers, which are now required to take back used devices and dispose of them in an environmentally friendly way. Vicor has also successfully franchised its technology to a number of electronic re-

cycling parks in the new states.

OSA Elektronik GmbH is one of Vicor's neighbors at WF. Like Vicor, OSA is a successful management buyout, and also like Vicor, OSA's main startup capital was the stock of ideas in its founder-owners'

OSA's Wolfgang Eibner and Wolf Albrecht had an interesting idea: using ultra-efficient, low-power-consuming optoelectronic diodes to illuminate building numbers, doctors' office signs and other hard-to-see items. Today, this idea has become a staple of Berlin's residential neighborhoods, much to the delight of eyesore pizza deliverers, doctors making emergency calls and strangers trying to find their way around. The success of its product has allowed OSA to quadruple its work force and to win a major Ger-

man prize for innovation. IRMA (infrared motion analyzer) Samsung could not employ most counts people - people entering bus-



New technologies include recycling TV tubes and computer monitors.

around train stations or even discos. Thanks to its use of advanced infrared-based cameras, IRMA does this more accurately than any other device on the market. Using models formulated on the basis of IRMA's data, mass-transit system operators know how many buses to employ at various times of the day, and banks can see how to deploy their tellers to best advantage.

The end of the crowd as we know it? "Perhaps, if enough IRMAs are sold," says Renate Karl, head of marketing at iris-GmbH, the systems producer. The company, which is reporting "strong market interest," is also located on the former WF site. as is a technology transfer marketing group and an institute for research into plasma technologies.

Big, and getting bigger While its offspring have been grow-

ing more and more numerous, BIG itself has been getting bigger. BIG and its twin, Technologie- und lunovationspark Berlin (TIP), now have 60,000 square meters of space housing more than 60 young high-tech companies, with another 30,000 square meters being used by various research institutes. The institutes funding comes from the more than

2.4 billion DM spent annually by Berlin's public and private sectors on research. All told, 2,000 people work at TIP and BIG, whose collective output of goods and services came to 250 million DM in 1993.

The biggest of all centers is the sprawling Science and Technology Park in Adlershof, whose 76 hectares (190 acres), located in Eastem Berlin's Treptow district, once belonged to East Germany's Academy of Science. At latest report, Adlershof is set to house 140 companies and 15 national centers of research, and has been budgeted to receive more than 10.7 billion DM in capital investment over the next decade.

Some 4,000 scientists and technicians work at Adlershof today, with that number forecast to more than triple once all the facilities currently under construction have been completed. The largest of these is BESSY tBerliner Elektronenspeicherring für Synchrotronstrahlung) II. the 195 million DM synchrotron. Also under construction is a center for innovation into optics, optoelectronics and laser technologies. Recently completed at Adlershof was a major (12,000 square meters) technology development center.

# CONVERSION SITES ATTRACT BUSINESS

Multinationals thrive in ex-military locations.

one of the largest conversion projects in the new states. It occupies 6,600 hectares and features five communities capable of housing 5.000 people and 1.000 office and production buildings with space for 5,000 workers. It also has enough casinos to make central Brandenburg the next Las Vegas or Atlantic City, plus hospitals, airfields, telecommunication systems and other standard facilities.

One hundred and fifty international companies recently attended an introductory meeting on Wünsdorf, with eight already advancing plans for portions of the site. Furthering those plans is the job of a steering committee composed of representatives from a wide variety of local and state bodies.

Wide-ranging interest

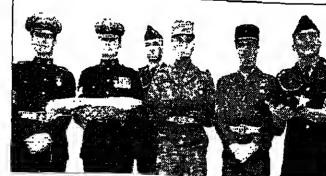
A large portion of these investors are from abroad, with Scandinavian and American firms predominaling. One foreign-owned conversion in Brandenburg technology.

he Wünsdorf site, 25 is R&D Tec. This subsidiary of Maryland's EAI Corporation has signed a preliminary contract to decontaminate, renature, redevelop and market conversion sites.

The sites are under the control of Brandenburgische Bodengesellschaft, the stateowned corporation charged with the transformation of 320 areas (covering 96,000 hectares) formerly belong-ing to the Soviet West Army Group, about four-fifthe of the total "conversion area" in the state.

As this example shows, the internationalization of Brandenburg's economy is attaining new dimensions. According to a recent unofficial count, non-German companies have made more than 120 major investments in the states, with several hundred more setting up everything from gourmet restaurants to law offices and translating services.

There is virtually no area in which foreign companies are not to be found in the state," says Burkhard Dreher, the state's minister company already active in of economic affairs and



صكذا من الدعل

SPONSORED SECTION GERMANY:

BRANDENBURG

# DEVELOPMENTS IN THE BERLIN RING

Around the city are large factories, small communities, new innovations and time-honored nature preserves.

the Berlin Ring has 28 business and distribution and reportedly the largest in the new states. At latest them among the largest in Europe. The Ring alsu has dozens of newly completed industrial facilities, many with investment amounts denominated in hundreds of millions of marks.

Despite this, the Berlin Ring is not a monoculture of large-sized companies and large-sized investments. In fact, it is not a monoculture at all. It is home to hundreds uf small, highly innovative companies and dozens of enterprising communities.

Taking its name from the city's encircling belt-line. the Berlin Ring is also interspersed with dozens of selfstarting villages, which are capitalizing on urbanites'

wish to live in rural settings. Most of all, the Ring, which encompasses everything from Berlin's city limits to the last patches of development 30 tu 50 kilometers outside, is the venue for newly created nature preserves, golf courses, amusement parks and other accoutrements of the well-rounded

Booming industry

The Dahlewitz area and its large-scale, high-profile facilities are what people have in mind when speaking about the "boom along the Berlin Ring,"
In Dahlewitz itself is

BMW Rolls-Royce's 200 million DM jet engine production facility (in operation since May), with another, equally large facility and a new family of "whisper jets" - reportedly the quietest in the world in their class - in the works.

To Dahlewitz's immediate west is Genshagen and the Brandenburg Business Park, being developed by Cana-

It early sound like a pure disable of a motorist state in a maritic land caused by one of Beilin's 630 food construction sites, but it will soul take only an hoor to it were one 250 kilometers: (155 miles) her place. Berlin and I famburg.

Making this fear possible will be the Transrapid, the magnetic lefton tion monorall scheduled to site are vice in 2005.

vice in 2005.
The company planning the S bitfion Deutsche mark (\$5 billion) pubject was founded in October, Partie.

pating in the consection at Deutsche Bahn AG, the federally owned rail company, and various industrial and construction heavy.

the new states. At latest word, 27 companies have cummitted themselves to Genshagen; 11 have begun building. A few kilometers to the west is Ludwigsfelde and Mercedes Benz's major

truck productiun facility. Sommerfeld is at the diametrically opposite end of the Berlin Ring, in an area whose companies and cummunities are small and fairly unknown. But that does not mean they are nut making a large-sized contribution tu Brandenburg's growth.

Village revival

In late 1990, even the state's well-versed economic geographers would have bad trouble finding Sommerfeld nn the map, and for very good reasons. Located some 35 kilometers north of Berlin, Sommerfeld was very small - 1,000 residents - and completely undeveloped, without telephone lines, a sewage treatment system or even an adequate supply of potable water.

Four years later, Sommerfeld now has 350 more residents. It also has telephones and advanced systems supplying water, natural gas and electricity. And the nicest thing about this story is that Sommerfeld has only itself plus a generous amount of public-sector support - to thank for the change.

Four years ago, Sommer-feld's city parents looked at the map and decided to build houses. As they bad envisioned, their Wohnpark Sommerfeld residential area soon filled with migrants from Berlin or even Harnburg and Munich, many of them working in nearby Oranienburg's blossoming pharmaceuticals and environmental technology sectors. A few head every Gosen and the Berlin Ring's morning to Leegebruch, sev-eral kilometers down the road and also not exactly a household name in Ger-

The Malaysian connection It is, however, known in Malaysia, thanks to the market successes achieved there by Aretec GmbH's cogener-ation facilities, which turn waste oils into heat and electricity - on site and with virtually no emissions. With headquarters in Leegebruch, Areiec is one of a dozen thriving high-tech companies located in the Oranien-

burg area. To attract Malaysians and other foreign tourists to the region, Sommerfeld's development corporation plans to build a three-star hotel on the shores uf a local lake. In making this investment, the corporation is banking on some impressive fundamentals: Brandenburg's tourist trade is currently expanding at a rate of around 15 percent a year. "We want to carve out our share of the pie," says a local official.

An even more striking story of local initiative is taking place at the other end of the Berlin Ring, near Dahlewitz, where a local community -Gosen - has mustered 267 million DM in public- and private-sector money to converi a rather dubious asset (a barracks previously occupied by the Stasi, the East German secret police) into an integrated commercial. retailing and residential development. Tenants include 73 small companies, most of them recently founded by lo-

Canals, lakes and rivers Today, hundreds of thousands of Berliners know Sommerfeld, Leegebruch,

cal residents.

Monorail and Airport in the Works

other small communities. and know them well. The Berlin Ring is threaded with canals leading to lakes and rivers, and "canaling" has become a big sport in Berlin. A favorite route takes boalers from western Berlin's Tegeler See via the Ruppin canal, which passes through Oranienburg, to the Ruppiner See and its nearby town of Neuruppin, a masterpiece of 18th-century aeoclassic city planning. The town is similar to Bath

in its sweep of greenery and

Cycling and hiking are faorite things to do in the Berlin Ring's 12 nature preserves. One of them starts immediately to the east of Oranienburg and includes the lown of Wandlitz. Until four years ago, no one with a status lower than East Gernian Politburo members or their servants and security people set foot in Wandlitz's compound of unassuming cottages, which was where Honecker, Mielke and other East German potentates lived.

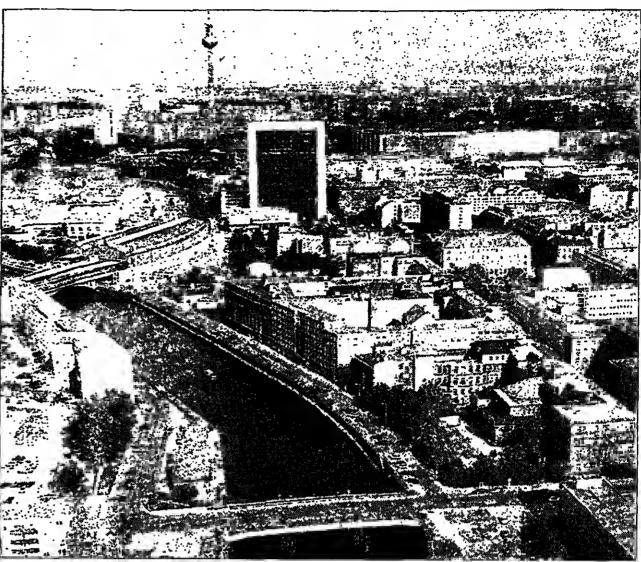
Going to Wandlitz for a day of remembering or simple gloating has recently become a lot easier. As part of the upgrading of greater Berlin's mass-transit system (already the most used in Germany), the S-Bahn regional railroad was extended to Oranienburg. Also being improved is E 251, the main road leading from Berlin to Oranienburg.

After Oranienburg, E 251 turns into a tourist attraction in its own right. A double row of magnificent trees flanks the road well into Mecklenburg-Western Pomerania, earning E 251 a place on a list of Germany's most beautiful tree-lined by-

From Berlin to Hamburg in an hour, by 2005.

CANAL STREET, CONTRACTOR STREET, CANAL STREE

THE PARTY CARRY



Development isn't limited to Berlin's bustling center, but has now spread outward to more rural areas.

# HEADING DOWNTOWN ON ROUTE ONE

The road from Potsdam and the Prussian past to modernity, Mitte and madcap cabaret.

Dometimes it is easiest to of 19th-century German arget a sense of changes taking place by being in motion, in this case by traveling from Potsdam to Berlin.

This was the Main Street of the Prussian Empire, and it still bears the number of its former status - Route One. It was given its present path in the early 19th century, linking Prussia's recently acquired holdings in the very western part of Ger-many with the Mark Brandenburg and Berlin. Prussia's engineers built the road straight - and methodically.

Route One still starts in Aachen, heading east through 650 kilometers (400 miles) of the north German plain before reaching Potsdam, from which it heads northeast toward Berlin.

A well-trodden path

In the early 19th century, a cavalcade of hastening messengers, trysting aristocrats and sweating craftsmen traversed Route One's 15 kilometers between Potsdam's Sanssouci and the royal palaces and administration buildings clustered around Berlin's Spreeinsel. For much of its history, Route One was a private road, with access restricted to the owners and servants of the palaces dotting its path, including Babelsberg and Glienicke (two palaces and a prefabricated ruin), all designed by Karl Friedrich Schinkel, that seminal figure

chitecture.

Today, a daily influx of often-frustrated commuters makes its way from Potsdam and its suburbs down Route One, which bears no fewer than seven different names before arriving at Berlin's Potsdamer Platz. Along the way, the 150-year-old trees of Berlin's Botanical Gardens and of such comfortable neighborhoods as Lichterfelde, Steglitz and Schoeneberg give way to skyscrapers, then building

The heart of Berlin

Many of them are clustered in Potsdamer Platz and the surrounding area, currently "Europe's largest construction site," according to Der Spiegel. The massive 8 billion Deutsche marks (\$5 billion) worth of work being carried out there, however, is less than a seventh of the current volume of construction activity in Berlin, and it is only one of 250 such pro-

After Potsdamer Platz, Route One - now the Leipziger Strasse - traverses the city's Mitte district, its span of Route One epitomizes the continuum of Berlin and Brandenburg's past, Mitte symbolizes the rapid changes taking place in its present.

On the Leipziger Strasse's south side are the main office buildings of the took a different course at the Treuhandanstall. For the last Leipziger Strasse, heading four and a half years, the Treuhand has presided over a radical, often painful transformation of the economy of Germany's new states. Now, the economy's privatization is largely completed, and the Treuhand is handing its work over to successor agencies.

The investment flow The Leipziger Strasse has

received its fair share of the 12 billion DM in outside private-sector investment flowinto eastern Berlin over the last four and a half years. The street is lined with symbols of a prospering private sector, newly built or refurbished hntels, casinos and restaurants. Many of their patrons come from easiem Berlin, where incomes have risen 120 percent over the past four years - to only 6 percent less than the Westem average

Today's Route One leaves Mitte and heads east. Along the way, it picks up a fair share of hikers and picnickers heading towards the Märkische Schweiz (Swiizerland) nature preserve, an historic downtown. If the enchanting region of lakes and craggy bluffs (hence its name). As it approaches the Polish border, some 60 kilometers from downtown Berlin, Ladas, Polski Fiats and heavily laden trucks predominate.

The original Route One

Leipziger Strasse, heading northeast to the heart of Prussian power and possessions. For a century the staples of guidebooks on European cultural and intellectual life, Prussia's high points are virtually all still there: the Humboldt University, State Opera. Spree island and its world-class museums, Missing for the last five decades has been the Stadtschloss (downtown palace), blown up by the Soviet Army in the postwar period. Contemporary visitors did get a chance to see un palace, or at least very lifelike mock-up of it. last summer.

More than a cabaret The elements of contempo-

rary cultural life in Mitte are only listed in very up-to-date guidebooks and weekly magazines covering culture and nightlife in Berlin. Eight of Europe's most freewheeling cabarets, a variety house, four classic and four "Off" theaters, three cinema revival houses, three music and program clubs and 45 art galleries are located within the district's 10.7 square kilometers.

In turn, Mitte is just one of greater Berlin's centers of culture. Others are Kreuzberg, Charlottenburg and Schoeneberg (in the west) and Prenzlauer Berg and Pankow (in the east), plus Potsdam and Cottbus a bit

# FOR BUSINESSES, BERLIN HAS NEW MAGNETISM

weights.

It took six mentins, 40,000 minimum from so work at Brandeshing (the companion procedure for the sine evaluation procedure for the sine posed Berlin-Brandeshing sixtor; has been completed.

The procedure selected Spring support the procedure selected Spring south of Berlin as larger the best where from 30 million to 60 million berg and likering selected selected support that it is selected to support the selected selected

Besides big international corporations, Berlin is attracting thousands of brand-new companies.

have included the entire ing." headquarters of IBM Gerniany and that of Italian The corporate nursery pharmaceuticuls producer Menarini. Siemens has relocated its transport technology's directorate to the city. The Frankfurt-based Kreditanstalı für Wiederaufbau, Germany's powerful econonic development bank, has set up an office in Daimler-Benz. Sony,

ABB and Samsung lead the city's "100 Millinn Club" international companies investing 100 million Deutsche marks (\$63 million) or more in Berlin over the last four years. The DIHT (Deutsche Industrie und Handels Tag) is just one of 80 trade and professional associations in the process of setting up shop in the city.

"It was not a lack of success that led to a reformulating of our business developnient operations," explains Norbert Meisner, Berlin's senatur (minister) for cconomic affairs and technolugy "The city has been very successful in attracting new investment. It's been even more successful in taking on new rules - and these have equity capital in young high-

In no city in Europe - and in

few regions - have so many companies been founded over the last four years as in Berlin. Now home to 70,000 "youngsters" (the net figure after allowing for insolvencies), the city is now being described as a "gigantic cor-porate nursery," in the play-ful words of a local businessperson.

These companies generalstarted out their corporate lives with a stock of highly innovative products and services. To develop - and stay alive - most have needed, at one time or another, infusions of either capital or professional counsel. Providing just that are 30

institutions - banks, venture capital funds, technology transfer agencies, trade advisory centers and more. Their ranks include the BBB Bürgschaftsbank zu Berlin-Brandenburg GmbH, a public-private venture supplying loan sureries to companies in

both states. Berlin's Innovationsfonds (innovation fund) furnishes

same target group is the Europe. With this alteration "state program for the support of technology." This support takes the form of transfers of personnel and expertise.

Thanks in part to the efforts of these organizations, the output of Berlin's young companies is currently growing at a double-digit rate. Some 120,000 jobs have been created by these

Double-digit growth

companies over the last four years. This increase in companies and production has meant considerable work for the BAO Berlin Marketing Service GmbH, a longtime source of support for Berlin's companies. Owned by the city's chamber of commerce and trade associations. BAO supplies counsel and services forming the link between local businesses and the national and international public and private

Berlin bas a new role in the eyes of the international business community, according to Mr. Meisner: The city has gone from being the 'easternmost outpost of the Free World' to 'the stepped-up pace uf invest-

Recent arrivals in Berlin mandated the reformulat- tech companies. Serving the site for the 21st century in of perception has come a drastic upgrading in the sophistication of investor requests and needs."

In the old, preunification days, companies setting up shop in West Berlin generally required only a single production facility or a single suite of offices. Since 1991, major companies' needs have been changing.

Wirtschaftsförderung Berlin GmbH (WFB) has been meeting the post-1990 generation of investors' needs for comprehensive packages of facilities and sites. This "one-stop" source of business development information and services has been in business since 1976. The agency's capital is held by both the city of Berlin and banking institutions.

Facilitating business

in 1993, according to the agency's figures, WFB's efforts resulted in the successful conclusion of 112 investments yielding more than I billion DM in capital allocations in the city and the cre-

ation of 6,662 jobs.

ment in the city. Wirtschaftsförderung Berlin is currently facilitating some 230 projects with a total volume of 3 billion DM that will create some 15,000

Commitment and pride Berlin now boasts a growing business community, a longterm sense of belonging and a new instrument to make use of both, "A deep bond was forged between the city and its business community in the past," says Mr. Meisner. "In searching for ways to attract further investment to the city, we came up with the idea of making full use of our companies' sense of commitment to and pride in

their community."
On Oct. 7, Partner für
Berlin Gesellschaft für Hauptstadtmarketing launched its operations. This "public-private partnership" taps corporate funds and other resources to proclaim the advantages of doing business in Berlin.

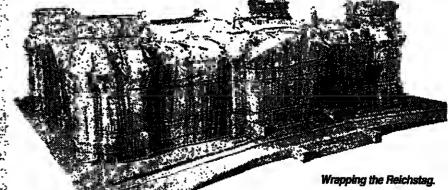
Much of the city's future business will be centered on one of the elements of the new organization's name. In figures detailing the Hauptstadt is German for "capital city."

# Domespace and Christo -

Germany's Environ- sive materials and tech sands" of people to the mental Prize may be the notagies to reduce energy, sity. The wrapped Reichinest presigious in its see and building costs. One stag can be viewed from for is the world. At I mile key development is the June 23 to July 6. If we Deutsche marks use of a grid embedded in its took the Bulgarian

lines. Destrocks marks use of a grid embedded in its took the Bulgarian (\$636,000), it is definitely the house's plot as a form attist and his wife the heat endowed one. searce of heating via a definite Claude 22 years of

One of its 1994 witners is heat pump. ceaseless lobbying to gain Martin Merk, who built ... Ninetoen ninety-five permission for the project. ceaseless lobbying to gain



his domespace house in the small Brandenburgian town of Wilkow Local inhabitants tefer to it as

year's touristic high point Is already known. Berlin-Tourismus Marketing the "musbroom" of GmbH (BTM), the city's rather its use of inexpen- agence hundreds of thou- and book early."

has yet to start, but the which is being financed oot of the artists' own pockets.

BTM is calling Chris-10's work "a major finan-: spaceship." What is now bearism authority, expects cial factor for the city's el about the house is not the wrapping of the tourism industry. For innecessarily its look, but Reichstag by Christo to coming courists, take heed BERLIN

BRANDENBURG

# THE HISTORIC CONFLUENCE OF THE HAVEL AND THE SPREE

A journey down the region's rivers is a journey back through time.

The Spree is not exactly the Mississippi, nor the Havel the Missouri. Their confluence in Western Berlin's Spandau district is not crowned with a golden arch à la St. Louis, or of by an imposing statue as at the junction of the Rhine and Main, but rather by a jumble of barge docks and bridges.

It is to this confluence, nevertheless, that Berlin owes its existence. Sometime after A.D. 800, Spandau began serving as a river port. It thrived in this role, attracting settlers to the region. A bit more than four and a half centuries later. Berlin was founded.

Links to the Baltic

For 500 years, the rivers were the fledgling city's main source of raw materials and main link to the outside world. Over the centuries, a series of canals was built, shortening and of series of canais was built, shortening and improving the city's links to the Elbe and the Oder, and through them to the North and Baltic Seas, 160 kilometers (100 miles) away as the crow flies.

The canals are still there, and the Havel and the Spree are still prime transport arteries. The largest of the 104 harbors and docking areas in the city is the Westhafen, which has a throughput of 1.3 million tons of freight a year. Today, however, pleasure craft predominate among the traffic making its way on the 163 kilometers of "federal water highways" in the city. These craft are making their way outward to the Grosser Plessower. Rietzer, Grosser Wusterwitz and hundreds of other lakes in Brandenburg.

On the rivers' banks is a stream of weekend warriors and peace-seekers heading toward their recently acquired or restituted dachas and farmhouses in Ketzin, Prützke and Lehnin.

"We call it the Friday afternoon exodus," says Christoph Westecker, television executive and longtime resident of Western Berlin, "because around 4 P.M. on any Friday afternoon, all of Berlin – or so it seems – is migrating to Brandenhurg.

The river of time

With every kilometer the migrants progress down the Havel, the countryside and the communities they pass through get older.

Heading southwest, the Havel starts its post-confluence life as a lake. For four post-World War II decades, the Wannsee was West Berlin's inland sea, its place for a Sunday sail and a summertime swim - for those willing to brave the water quality. The lake is bordered on the west by the relatively rural community of Gatow-Kladow, and on the east by the Grunewald. Beyond the park's

green expanses are the mansions and gardens of Zehlendorf and Wannsee, areas settled at the height of the German Empire's affluence and disproving the perception that Berlin is largely urban and congested.

Through a variety of lakes and canals, the Havel makes a sharp turn to the west in Potsdam, once the residence of the Prussian monarchs, today the capital of the state of Brandenburg. As it enters the city, the river is diverted into the ponds and brooks running through Sanssouci, Charlottenhof and the other 18th- and early-19th-century royal seats and gardens.

The meandering Havel

"An indecisive river." is how Theodor Fontane described the Havel. He may have had the river's 25 kilometers from Potsdam to Brandenburg in mind. In its meanderings and ramblings, the Havel has created a landscape of marshes and islands and lakes. Growing in the fertile riverside soil are long ranks of fruit trees and vegetables. Collectively, the area is known simply as the Havelland.

The region to which the city of Branden-burg gave its name has had a tumultuous career. It was successively "Germany's sandy Siberia," a poor but aspiring duchy and then the core of the aggressive, self-aggrandizing kingdom of Prussia. Its name then disap-peared from the map for half a century, only to become, recently, that of the largest in area of Germany's new states.

Historic Brandenburg

The city of Brandenburg had a much quieter time, spending the last millennium evolving and growing at a relaxed pace, with the notable exceptions of the depredations caused by war. The oldest community in its region, Brandenburg was founded in 928. The buildings forming its historic core date from the 12th to the 18th century. Today, Brandenburg is a town of 95,000.

Here the Havel slips and slides its way to another change in direction. After a succession of half-turns, the river finally veers northward toward its junction with the Elbe, The turn keeps the river largely within the state. Along the way, the Havel passes through pine woods and sparse grasslands showing the region's characteristic sandy

Only 100 kilometers as the crow flies from downtown Berlin, this is the Brandenburg of before - before the Industrial Revolution, before the Hohenzollerns, before the Christianizing kings from the West.



# ON THE UP AND UP IN VIBRANT BERLIN

The numbers are eloquent: the city is continuing to set new records in all sorts of fields.

A hanks to the recent sands of participants and foundings of a school of business administration at Eastern Berlin's Humboldt University and of a Berufsakademie and a Fachhochschule für Technik und Wirtschaft (post-secondary institutes of professional and technical studies). Berlin's universities and comparable bodies of education started out the 1993-94 school year with an enrollment of 150,000, up nearly 3 percent over the previous year's record. In keeping with Berlin's old-new role as Germany's "international city," some 11 percent of these students are from outside Germany - about the

same as the proportion of non-Germans to the city's entire population. With the founding of an air transport exhibition hall. the number of museums in Berlin recently reached 167. Among them are the world-

famous Gemäldegalerie in

Dahlem and the Pergamon museum in Eastern Berlin. At latest count, Berlin also had over 50 stages. three operas, 352 galleries, nine ymphonies, 881 choirs and 131 movie theaters. Some 45,000 people are employed in the city's cultural

sector.

And more are coming Retaining its perennial lock on this category, Berlin once more welcomed more non-German travelers in 1993 than any other German city. There is no shortage of accommodations for them, or for the hundreds of thou-

visitors to the city's trade fairs and congresses. After an extensive period of con-struction. Berlin now has 475 hotels and pensions with a total of 44,000 beds. well ahead of runner-up Munich. Another 108 hotels with 4,500 beds will be completed over the next two

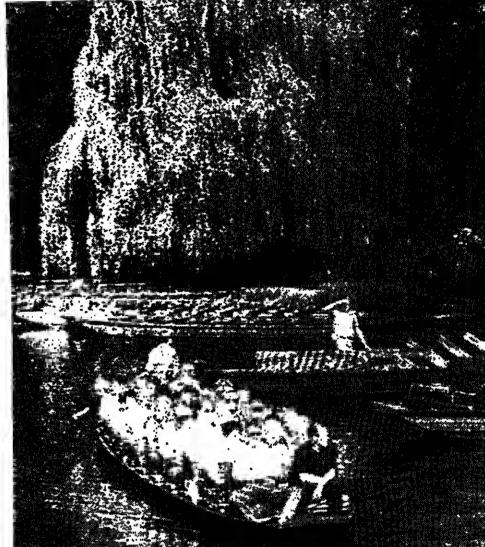
A new record was also set in the financial sector in 1993. Boosted by an influx from Western Germany, the number of banks and related institutes reached 147, with a third of those under non-German ownership. ti is a postwar record:

some 3.45 million people live in Berlin. That's 48,000 more than at the time of the fall of the Wall, and an amazing 244,000 more than 10 years ago.

Nowadays, most cities are hid to have two major daily newspapers. Berlin has 11. giving the city a breadth of opinion and coverage reminiscent of New York in the 1920s.

in 1993, Messe Berlin (the local trade-fair authority) set new records for exhibitors and space rented, and nearly beat the previous year's nu-ber of for visitors. In view of its ongoing business expansion, it is not surprising that Messe Berlin is undertaking a major expansion of facili-

By 1997, and after 2 billion Deutsche marks (\$1.27 billion) in investment, the modernized trade-fair grounds will have 56 percent more space.



With a population density of only 90 people per square kilometer, the state of Brandenburg still has plenty of wide-open spaces (top) as well as uncrowded attractions (above)...



Berlin's 50 stages offer a wide range of venues for dance as well as for theater and concerts.

Berlin's internationalism extends to its university system, where 11 percent of students are from outside Germany.

Farty nine and a half years after they came, the Al-es left, bequeathing 586 sites covering some 1,500 hecteres in Berlin to the German lederal government. Scheduled for construction on a number of these sites are the buildings housing the Berlin-bound lederal minsize the tentings nousing the perint count recess man-sizes. The tederal government has already sold (at re-duced or nominal rates) or given properties covering 86 hactares to the city of Berlin. One of them, the tomer Prussian parliament building, now houses the city's house of assembly. Another is being developed into one of the city's largest industry and technology parks.

Berlin's business development agency: Wirtschaftsförderung Berlin GmbH

Hallerstrasse 6 10587 Berlin Tel.: (49 30) 399 80 0 Fax: (49 30) 399 80 239 Hans Heuer, Managing Director

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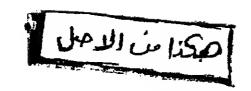
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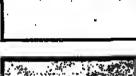
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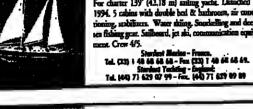
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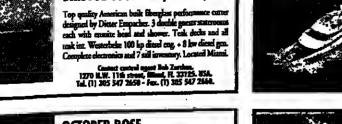
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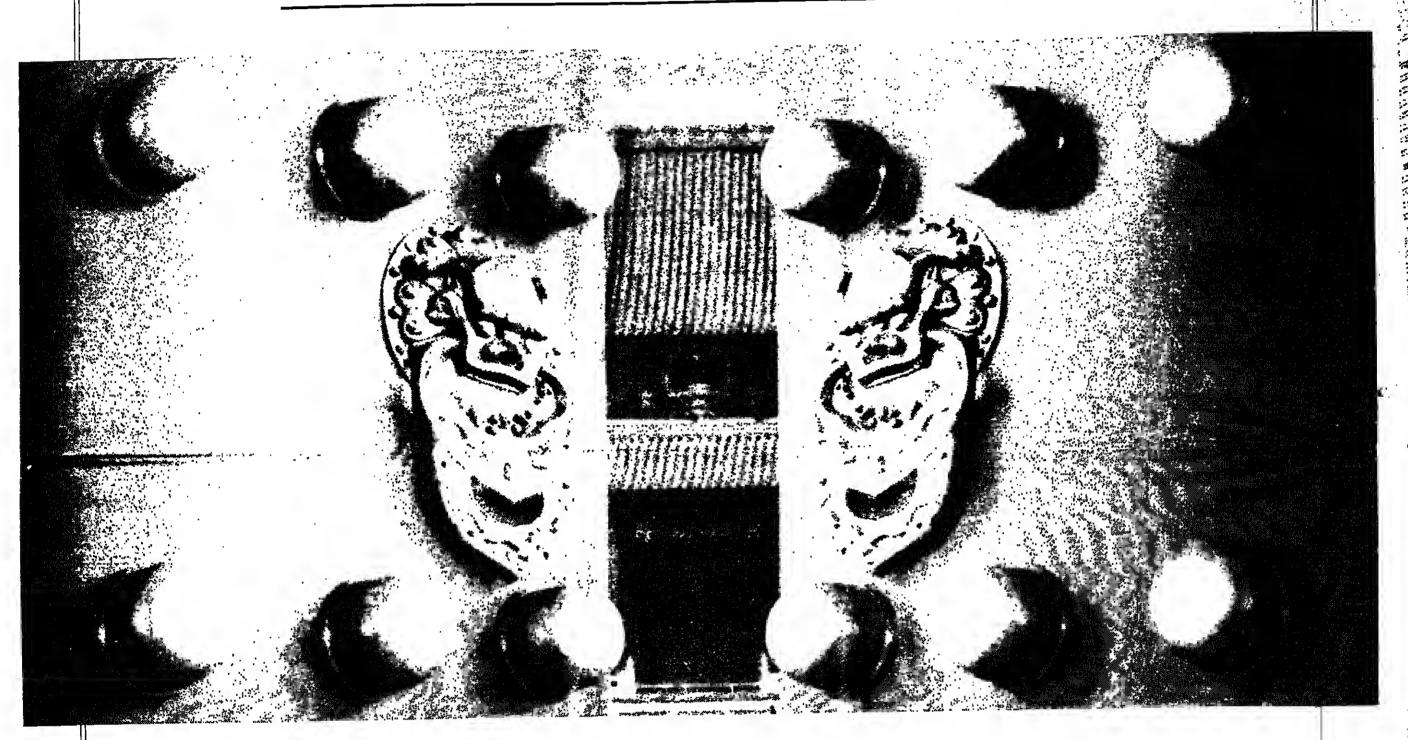


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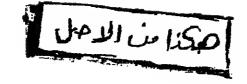
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صكذا من الاحل



# SPORT

# Albania Gives Germany a **Tussle**, 2-1

Compiled by Our Staff From Dispatches KAISERSLAUTERN, Germany — Germany played like a three-time world champion for only 20 minutes Sunday but beat gritty Albania, 2-1, in a Group 7 qualifying match for the European Championship.

Rehind socie by Lother

Behind goals by Lotbar Matthaus on an eighth-minute penalty and then by Jürgen Klinsmann nine minutes later. Germany ran its record to 3-0 in the group Lie tied with Bules. the group. It is tied with Bulgar-ia, which ousted Germany in the World Cup quarterfinals.

Altin Rraklli scored Alba-

ma's goal, in the 58th minute, off a pass from fellow forward Indrit Fortuzi Greece 1, Scotland 0: In Ath-

ens, Stratos Apostolakis con-verted a first-half penalty kick to give Greece the victory in a Group & With four victories in as many games, Greece is atop the

Scotland is behind with seven points in four games. The penalty was awarded when Tom Boyd downed Alecos Alexandris in the 18th min-

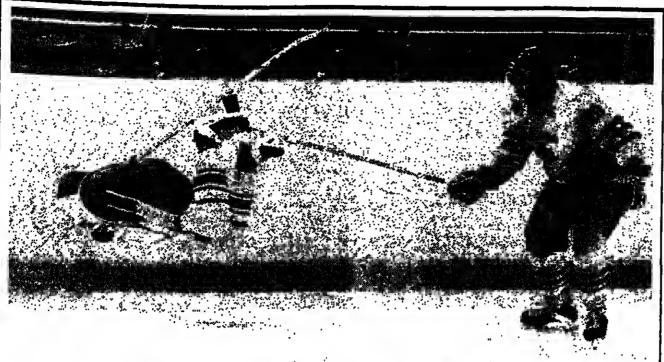
group with 12 points.

Portugal 8, Liechtenstein 0: Domingos Oliveira danced over the rain-slick pitch in Lisbon and the visiting team's dispirited defense for two goals, in the 2d and 11th minutes, and got two assists as Portugal ran its

record to 4-0 in Group 6. Spain 4, Belgium 1: Midfielder Luis Enrique Martinez broke down the home team's defense on Saturday as Spain ran its record to 4-0 in Group 2.

After striker Marc Degryse gave Belgium an early lead, Spain rallied on a goal by Fernando Hierro, a penalty by Donato and a counterattack goal by Julio Salinas, Martinez, after setting up the first two goals with sterling play on the right wing, scored the fourth on a run through the center with two minutes left.

Macedonia 3, Cyprus 0: Bosko Djurovski scored all three goals, in 15th, 26th and 90th minutes, as the home team won a Group 2 match.



OUCH! - Libor Procchazka of the Czech team sailed head first into the boards Sunday when Sweden's Mikael Renberg tripped him up at the Izvestia Ice Hockey Tournament in Moscow. The Czechs won the match, 3-2.

# Australians Win Ruling On America's Cup Yachts

Compiled by Our Staff From Dispatches

SAN DIEGO — An international yachting jury has ruled that a controversial Australian boat is eligible to race in the

1995 America's Cup.

The America's Cup trustee, the San Diego Yacht Club, contended that Australia's Southern Cross Yacht Club built three boats for the competition, which violated a rule in Cross competitors to two new boats, and that Southern Cross attempted to circumvent the rule by selling its first boat to the rival Australian Yacht Club, in effect forming a super America's Cup syndicate. But the five-man jury found Friday that the clubs were separate entities and neither had built more

We looked closely into the effects of the rule and we thought we were on the right side of the ledger from the start," said Peter Morris, president and CEO of the oneAustralia sailing syndicate that represents Southern Cross.

Had the jury ruled against the oneAustralia sailing syndicate, its \$3 million boat would have been ineligible for the

America's Cup, which begins Jan. 12.

The two-boat rule was instituted for the 1995 competition to put a lid on skyrocketing costs.

Meanwhile, Challenge d'Antibes of France announced its withdrawal from the competition. The syndicate reportedly faced serious financial difficulties. France America, under the leadership of Marc Pajot, is now the only challenger from France. Its yacht, was damaged during a fall Dec. 7, is scheduled to be back on the water Dec. 28.



Albert Tomba: "The problem is going up and down."

# Von Grünigen Wins Race, Injured Rib Stops Tomba

Compiled by Our Stoff From Dispatches
VAL D'ISERE, France —
Michael Von Grünigen of Switzerland won the men's giant slalom Sunday, for his second vic-tory on the World Cup circuit, as Alberto Tomba was forced to withdraw from the race with

Von Grünigen, second in sea-son's first giant slalom two weeks ago in Tignes, was timed in 2 minutes, 25.09 seconds for the two runs. He won by nearly a second over last year's overall World Cup champion, Kjetil-Andre Aamodt of Norway.

Aamodt was clocked in 2:25.90. Günther Mader of Austria was third in 2:26.84, followed by Lasse Kjus of Nor-way and Urs Kälin of Switzerland, who tied for fourth at

2:27.03. Tomba was ninth after the first beat but did not ski in the second heat. He said that his side hurt too much for the long, sweeping curves of the giant slalom on the relatively flat
Oreiller-Killy course, but that
he will compete in the sialoms
on Tuesday and Wednesday in
Lech Am Arlberg, Austria.

"The problem is going up and down with the body while in slaloms you are mostly straight up," Tomba said.

He hurt the rib last Monday night when he ran into a pole during the warmup for the sialom in Sestriere, Italy. He won that race but was examined by doctors Wednesday because he still had pain in his ribs.

Tomba, who turns 28 on Monday, won the first two sla-loms of the year and remained in the overall lead of the World

Cup standings with 250 points.
Von Grünigen moved up to
249, with Patrick Ortlieb of
Austria third with 230 points.

Von Grünigen had a smooth second leg. challenge the Swiss skier.

"The big lead in the first leg let me relax during the second and that helped," Von Grüniand that helped," Von Grüni-gen said. "It's very competitive Olympic and World champion,

Soles Soles Div Yid 100s High Low Cise Chies Slocks Div Yid 100s High Low Cise Chies S

made a sensational start in the Trinkl, in 1:57.00.

back of the leader. But teammate Armin Assinger triumphed Saturday as the Austrians went 1-2-3-4 after

a 1-3-4 finish on Friday. Assinger, in winning his fourth World Cup race, was timed in 1:56.07 with Ortlieb next in 1:56.46.

Ortlieb finished just .03 seconds ahead of rookie sensation Strobl, who won Friday's race in his first downhill start. Mader finished fourth, timed

in 1:56.79 on the course that was 3.625 kilometers (2.25 miles) long with a drop of 1,020 ently," he said. meters (3,345 feet).

on the Swiss team and we have a good group." Pietro Vitalini of Italy was fifth in 1:56.87, just ahead of another Austrian, Hannes

first and third, did not qualify for the second run after finishing more than form a second run after finishing more than a second run a second ing more than four seconds push hard against each other."

Besides the two slaloms later this week, the men have a giant slalom in Alta Badia, Italy on Thursday.

Then there will be a Christmas break before the men and women return to France, the men for a giant slalom at Meribel on Dec. 29, the women for a slalom on Dec. 30.

Aamodt said he may undergo a slight knee operation around Christmas.

"I suffer a bit on jumps but not as much as Tomba, appar-

# **Schneider Triumphs** In Slalom Under Lights

Compiled by Our Staff From Despatches SESTRIERE, Italy — Vreni

Schneider of Switzerland captured her 53rd World Cup career victory — and her first ever under the lights — Sunday in a night women's slalom at Sestriere, Italy.

The 30-year-old Swiss veter-an skier, the defending World Cup champion, clocked an unbeatable combined time of one minnte, 38.55 seconds down the demanding Kandahar course, beating runner-up Pernilla Wiberg of Sweden by 0.87 seconds. Katja Koren of Slovenia,

who was second after the first run, fell near the end of the Her error helped Beatrice Filing a big lead over the rest of the liol of France claim a place on

field. Although Mader posted the podium in third, in 1:39.74 the top time in the second run, minutes, pulling up from 11th 1:12.68, he was too far back to on the first leg. Sabine Egger of Austria edged Annelise Coberger of

New Zealand for fourth place.

was the fastest in the first run, in 47.68 seconds, and added 50.87 seconds in the second

The Swiss ace, who scored ber second consecutive slalom triumph this season, is going after a World Cup all-time re-cord of 62 wins held by the retired Austrian ski queen Anne-Marie Moser-Proll.

Schneider could add another victory in the next World Cup race, a giant slalom scheduled at Val Badia, Italy, on Wednes-

Heidi Zeller-Bähler of Switzerland retained the overall lead in the World Cup standings, with 445 points, although she did not start in Sunday's slalom, the first women's race held under floodlights.

Slalom is Zeller-Bähler weakest event.

Sunday's victory lifted Schneider to second place over-

(AP. Reuters)

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clubs.

days to Dec. 23.

pushing back three dates in the offsea-

# NDA **SPORTS**

# Baseball Negotiations to Be Resumed Monday

Compiled by Our Staff From Dispatches NEW YORK - Negotiators for ment."

Thursday for imposing a salary cap, and the head of the union, Donald Fehr, has sent the players a memo warning them not to expect a quick settlement.

While it is a positive sign that the owners want to continue talking, it will not be easy to reach an agreement." cap on the 23d.

tions are at impasse, or that the owners can legally impose the cap. Accordingly, we are prepared to contest the owners' right to impose the salary cap firm of Davis Polk & Wardwell, who

major league baseball's striking playars and club owners are to resume talks

A management lawyer, speaking on condition he not be identified, had Monday in Washington, taking anoth- said earlier that the owners' negotiater swing at the opportunity they might ing committee had recommended pushing the deadline back to Dec. 22 But just three days will be left before on the advice of the federal mediator, the owners' new deadline of midnight Willian J. Usery.

The lawyer said there were converboth sides after negotiations broke off Wednesday afternoon in Rye Brook, New York, and the telephone talks that led to the owners' decision.

According to participants in Thursday's meeting in Chicago, several own-Fehr said in the memo to players and ers still argued for immediate impleagents. "If there is no breakthrough, mentation. Three spoke against the we expect the owners to impose the move and voted against the resolution that gave the executive council the "We do not agree that the negotia- power to impose the salary cap.

den, a partner in the New York law

system should they actually imple-ment." Spoke about the risks of implementing George Steinbrenner, who did not at-the cap and reminded the owners that tend the meeting, was said by one they could lose before a judge or jury friend to be livid over the owners tax and be forced to pay tens of millions of proposal of last Sunday. That plan dollars in damages.

The Baltimore Orioles' owner, Peter lawyer, Rob Manfred, called "compli-Angelos, in a short speech on why he ant" teams rather than small-market low-level negotiations in Toronto. was against the move, criticized management's last luxury tax proposal, which he said was so complicated that sations among Usery and lawyers for he thought some on his own side didn't understand it.

The Toronto Blue Jays' president, Paul Beeston, looking ahead to the possibility of replacement players, said it would be "crazy" to have his team play all its games on the road. Ontario law prohibits using replacement workers during a strike.

The Los Angeles Dodgers' owner, Peter O'Malley, according to one participant, asked many questions during the meeting and expressed some reservations before voting with the major-

ity.
The New York Yankees' owner.

# **NHL Continues** Low-Level Talks

The Associated Press

TORONTO - The stretch run in would reward what a management the National Hockey League's labor talks began Saturday with five hours of

Neither side would divulge informa-In their agreement to restart talks, tion about the session, attended by two the players and owners also agreed on representatives each.

There were no plans to meet Sun-day, said Cliff Fletcher, president and son calendar that owners say are forcing their decision. The deadline to ofgeneral manager of the Toronto Maple fer salary arbitration to a club's former Leafs who was at the meeting.

free agents — 73 players are in this group — was reset to Dec. 23. It al-"When the next meeting will be held group — was reset to Dec. 23. It already had been pushed back from Dec. 7 to Dec 17.

The deadline for players to accept or The deadline for players to accept or and the head of the union. "Both sides reject the offers, which previously has will have to take stock and then I been pushed back four days to Dec. 23, assume they will then decide when the was moved to Dec. 30. The date for next meeting will be held." clubs to offer 1995 contracts to un-

The meeting was the fourth in four signed players was moved back three days since the low-level negotiations (WP, NYT, AP) began Wednesday.

Sci Lanker vs. New Zeekand Sandary, in East Landon, South Africa New Zeekand Inchangs; 253-4 (50 overs) Sci Lanker (nairast: 257-5 (67) overs) Resulft: Sri Lanker won by 5 wickets.

FRENCH FIRST DIVISION

ENGLISH PREMIER LEAGUE

Crystal Petace & Norwich 1

Everton & Tuttenbarn 0 Leicester 6, Biockburn 0

### SIDELINES

# English Golfer Davies Sets Record

GOLD COAST, Australia - Laura Davies of England birdled four of the final six holes Sunday to win the Alpine Australian Ladies Masters golf championship, setting a record in the process. Her eighth tournament victory of the year made the powerful

\*\*

31-year-old the first professional golfer, male or female, to win on five different tours in one calendar year. She triumphed three times in the United States, twice in Europe, once in Japan and once in Thailand on the Asian Tour.

• Ernie Els won the Johnnie Walker World Championship in Montego Bay, Jamaica, by six shots over Mark McCumber and Nick Faldo. Ian Woosnam, Brad Faxon, and Paul Azinger—who shot a course-record 62 on Saturday — were another shot back. Els closed with a 72, McCumber and Faldo with 67s, Woosnam and Azinger with 68s and Faxon with a 64.

# Lara Dismissed, by Woman Bowler

SYDNEY (AP) - Brian Lara, who earlier this year broke the world record for the highest Test innings, was Sunday dismissed by a woman bowler during a charity match played at the Sydney Cricket Ground.

Lara was caught behind by wicketkeeper Steve Rixon off the bowling of Australian international Zoe Goss for 23.

Goss finished with figures of 2-60 from 10 overs as the Bradman XI scored a one-run victory over a World XI. Goss, who also scored 29 runs when she batted, said: "I was humbled and honored just to be here. It was a great experience."

### Colleague Says Ma May Have Cancer

BEIJING (Reuters) — China's running coach, Ma Junten, has a severely swollen thyroid gland and doctors fear he may have some form of throat cancer, although further tests are required, a colleague said.

"Ma has had this thyroid problem for five or six years but recently it has become much more serious," the colleague said Saturday by telephone from Ma's former office in Shenyang in

northeastern Liaoning province.

He said that Ma's thyroid gland was extremely swollen, but that
Ma had not had time to seek proper treatment because he was attending his ailing father.

### For the Record Michael Schumacher, the Grand Prix champion, also won the

Elf Master Karting Indoor title in Paris; Alain Prost finished third, behind Emmanuel Collard of France. Orestes Destrade's, the Florida Marlins' former first baseman

who has rejoined the Saibu Lions, has been given a \$3.7 million contract for next season, a record for Japan, the Kyodo News Service reported.

RUGBY

# RASSBALL

League.
PITTSBURGH—Agreed to terms with
Dove Clark, autifielder, in 2-year contract.
Signed Luts Mercedes, autifielder, to minorAllook, linebocker, on the

JACKSONVILLE—Signed Chris Williams, Ricky Suther, Jeson Simmons, Errite Look, and Ferrite Collens, deferable finemen, Grest Humination and Rickie Staw, affentive linemen, Johannan Belast, wide riscovery Randy Jordan, Funemin back; and Hilliam Buller, Insubacker, KANSAS CITY—Placed Joinse Fields, Insubacker, on Injured reserve, Staned Rick Homelion, linebacker, Released Shaumbo Wright-Fore, ruming back from the procince seasod. Signed Perry Carter, cornerback, la their practice seasod. N.Y. GIANTS—Placed Thomas Lawis, wide receiver, an injured reserve, N.Y. JETS—Activated Fred Letter, full-back, off their practice seasod, Placed Tuinsta, Albota, Henbacker, on the practice seasod.

POOTBALL

POOTRALL

National Feetball Leasure
CAROLINA—Signed Tony Smith, Willie
Green and Eric Weir, wide receivers; Randy
Cuttbart, running back; Matthew Camabel;
and Lawyer Titimon, Tight ends; Darryl
Maner and Corteen Leannil, quartin; and
Mike Finn and Kevin Farkos tockles.
CLEVELAND—Signed Frank Harvey, Milbock, off Arizona's practice squad. Re-aland
P.J. Killian, Thebacker, to their practice
squad.

DENVER-Placed Leonard Russell, rus-

ning bock, on injured reserve, Activated Deep Streether, running bock, from the practice

JACKSONVILLE—Signed Chris Williams.

THE STATE OF

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27

Allode, linebocker, on the practice squod.
PIJTSBURGH—Deactiveted Antheory Delde, russing bock; Charles Devemont, wide receiver; and Jerry Obaysky and Eric Reviolit. Imbackers.
SEATTLE—Signed Forey Duckets, safety.

TAMPA BAY-Placed Courtney Hawkins

BALL STATE—Announced that Alike Gib-land, assistant baseball coach, has resigned obscome a scout for the Milhaukee Brawers. Named David Kobi

IOWA STATE-Nor

BECAUSE IN MY BOOK I HAVE A FLUME TURDINER!

# SCOREBOARD

NBA Stand	inas							
EASTER	EN CONFER	ENCE						
Att	entic Divisio	ma	GI					
	WL	Pct _773	6					
Ortondo	17 S 12 D	400	-					
New York	10 13	.435	74					
Boston	9 15	375	6					
New Jersev Philodelphic	8 14	364	9					
Washington	4 13	276	9%					
Miomi	4 14	.300	10					
	entral Division	D11						
Indiana	14 6	.700	_					
Cleveland	14 8	.A36	1					
Charlotte	12 10	545	3					
Chicago	11 10	-524	30:					
Detroit	9 12	.429	51					
Allanta	9 14	.391	44. 7					
Milwaukee	7 13		•					
	RN CONFE							
Mid	west Divisio		-					
	W L	Pct	61					
Uteh	15 O	.452 .419	ī					
Houston Dollas	11 8	579	2					
Denver	11 7	550	24					
San Antonio	11 9	£50	21/2					
Minnesoto	5 17	277	90					
	cific Divisio							
Phoenix	17 S	772	_					
Seattle	14 7	267	20-					
L.A. Lokers	13 0	9ةه.	372					
Portland	10 9	<b>.536</b>	5١/۽					
Sacromento	11 16	524	54					
Galden State	8 14	364	,					
LA, Clippers	3 19	,136	14					
FRID	AY'S RESU	LTS						
Cleveland	22	20 20	22-64					
Philodelphia	17		20-80					
C: Brandon 6-10	34 IS Prio	a 3-7 7-7	14; P					
Weatherspoon 5-14								
Rebounds—Clovel phio 37 (Brodiey.								

phia 37 (Bradley, Wright 71. Assists—Clave-land 16 (Price St. Philadelphia 17 (Burton 5). lond 14 (Price 51, Philadelphia 17 (Burton 5). Chicogo 19 22 20 24—45 Attonta 12 30 24 15—46 C: Pippen 7-13 7-12 22, Kukoc 5-8 0-9 11; A: Blaylock 9-17 1-1 21, Lang 4-8 2-2 14. Re-blaylock—Chicogo 42 (Pippen 8), Attorta 45 (Augmon, Koncok, Norman 7), Assists—Chi-

21 23 24 15-91 25 25 26 19-93 C: Burrell 7-10 2-2 19, Johnson 9-17 4-4 22; 1: Miller 6-147-722, Smits 7-182-414. Rebounds— Charlotte 48 (Mourning, Parish DI, Indiana 45 (D.Dovis 13). Assists—Charlotte 19 (509ues

81, Indiana 22 (Jackson 10). New Jersey 20 29 25 19-43 Milanesista 27 23 20 24-94 N: Coleman 4-13 14-14 22, Anderson 5-12 6-7 Tr; M: Rider 9-20 4-9 27, Rooks 7-10 3-4 17. Rebounds—New Jersey 44 (Benjamin 12), Minnesota 45 (Laetiner 10), Assists—New Jersey 10 (Anderson 9), Minnesota 21 (Gar-

Phoenix
N: Ewind 6-12 3-4 15, Storks 4-12 1-2 11; P: Burkley 9-12 7-10 24. Marmine 9-14 4-8 24. P: Burkley 9-12 7-10 24. Marmine 9-14 4-8 24. P: Burkley 121, Assista—New York 24 (Harner 61, Phoenix 28 (Molerte 51, Orlando 31 27 28 34 10—121 Golden State 29 34 24 34 7—128 C: O'Neal 15-20 10-21 40, Alterdaway 16-36 5-738; G: Sprewell 16-31 5-6 40, Goldina 10-12 5-3 Rebounds—Orkando 57 (O'Neal 10), Golden State 57 (Guellotte 10), Assista—Orlando 22 (Alterdaway 131), Golden State 37 (Thordaway 231).

SATURDAY'S RESULTS
Detroil 27 24 21 21—97
Philodelphia 27 24 21 21—92
D: Anits 12-19 2-3 32. Dumars 5-20 7-5 22: P:
Burton 6-14 9-0 14. Barros 9-12 1-2 22. Rebounds—Detroil 47 1:Alis 7). Philodelphia 50
(Bradley 13). Assists—Detroil 24 (Dumars 7).
Philodelphia 21 (Vivoliner spoon 6).

Managements 21 22 28 23—96

Philodelphia 21 (Weofherspoon 4).
Miamesota 21 32 32 23—76
Weshington 24 27 19 17—87
M; West 11-22 3-5 25. Rider 9-28 4-4 22; W;
Webber 9-18 2-3 21. Cheaner 6-16 3-4 15. Rebounds—Minnesota 41 (Rooks 10), Washington
48 (Webber 10). Assists—Minnesota 24
(Garland, Smith 6), Washington 26 (Cheaner

41.
Attonta 25 19 10 31—85
Miterni 25 27 19 25—94
A. Ehia 6-11 9-6 14, Smith 3-12 6-8 12; M:
Willis 12-18 0-0 74, Gemble 7-10 3-1 18. Rebounds—Attanto 53 (Lons, Koncok 41, Midmi 44 (Wills 11). Assists—Attonia 18 (Les 7). Mi-25 20 27 17- 92

Deriver 28 29 27 17— 92
Chartoffs 31 27 30 19—111
Dr. 9. Wilkloms 5-8 4-4 (4, Abdu-Rouf 5-11 5-5
15; Cr. Howkins 12-18 2-2 28, Mourning 7-12 7-9
Cl. Rebounds—Deriver 51 (Multomba 11),
Charloffs 34 (Howkins 3), Assists—Deriver 14
(Abdul-Rouf 3), Charloffs 27 (Bosues 10),
Utah
Chicago 42 21 27 25—77
U; Motorie 14-72 2-3 3, Stockton 6-10 4-6 16;
C; Plopeen 4-15 8-11 17, Kukoc 7-12 2-9 19, ReDesiver 20 (Amsists—Utor) 22 (Stockton 151, Chicago 24 (Amsistrang 41, Chicago 24)

(Pipper 7). Assistantian 41.
Chicogo 20 (Armstrang 41.
Boston 27 25 25 25—112
Boston 36 25 22 25—107 Houstod 34 25 22 25—187 B: Wilhims 16-27 6-9 43, Brown 5-11 3-4 16; H; Ciciuwan 10-25 1-1 21, Maxwell 9-22 6-0 25, Rebeards—Boston 51 (Mantrass 12), Houston 46 (Oldywan 12), Assists—Boston 25 (Wesley 11), Houston 24 (Smith 7), LA, Lokers 27 23 19 25—192 Sm Anthanio 28 22 71 35—116 L; Camobell 7-103-4 (7, Van Exel 5-15 7-2 19; Lillian 4, 10, 4-7, Rebisson 1, 191 (10-13)

S: Elliant 8-10 4-6 23, Robinson 1;-19 10-13 22. Rebounds—Las Antreles 46 (Completi 111, Sem Antonio 45 (Rodinen 19), Assists—Los Angeles 19 (Van Exela), San Antonio 31 (John-

Angeles (9) Van Esels), San Januaria (1 Januaria )

Secremento 35 22 24 15— 98

Phoenix 21 39 27 21—107

S; Williams 3-15 4-520, Richmond 7-23-6-25;

P; Barklev 8-12 8-8 27, Monains 7-12 7-10 21,
Rebounds—Sacrumento 36 (Polyndor 7),
Proenix 46 (Barklev 14), Assists—Sacromento

10 20 (Webb 7), Phoenix 25 (Monains 4),
Ordando 56 14 22 25— 64

Sentite 25 32 25 38—124

O; Grant 5-6 1-1 11, O'Neul 6-15 3-7 15; S; Gill

B-14 7-8 21, Poyton 11-15 7-8 31, Rebounds—
Drigado 47 (Ancerson B), Sentile 61 (Kemp

14), Assists—Orlando 17 (O'Neel, Scott 41, Se
ottila 24 (Poyton 7).

Delics 31 21 27 27—106 son 101. Secremento

L.A. Clippers 22 12 39 23—87 C: Moshburn 11-224-825 Jackson 10-1510-12 21, Tarpley 5-14 3-3217 L: Murray 10-25-09 22 Vought 10-17 3-7 23. Rebounds—Callas 62 (Tarpley 14), Las Angeles 51 (Vaught 13)

**Top 25 College Results** 

How the top 25 fears in The Associa

L North Carolles (6-0) beat VMI 129-89. L. North Carolling (8-0) bed VML 127-07.
Next: of Howall, Thursday: 2. UCLA (4-0)
bed LSU 92-72. Next: vs. George Mason.
Thursday: 2, Kansses (5-1) loof lid Indiano 5061, Next: vs. Sonite Claro. Treadoy: 5, Massor
cheseits (5-1) bed Western Kenjucky 91-72.
St. Louis 103, Bethuro-Cookman 45

Next: vs. West Virelala, Wednesday, Jon. 3: 4, Kastlucky (5-1) bool Texas Tech 83-68. Next: W. Michigan 89, Chicago 91, 44 Wichtson 87, Chicago 91, 44 Wichtson (7-1) bool Texas-El Paso 75-61, Wildens Boy 85, Bowling Gr Next: at Na. 14 Syracuse, Thursday. & Florida (5-1) beat Florida State 71-45, 20T. Next: vs.

(5-1) boot Florido State 71-45, 207. Next: vs. Jacksonville, Wednesdov, 11. Minnesote (6-2) lost to California 82-75. Next: vs. Texas South-ern, Wednesdov; 12. Arizona State (5-1) boot UC Irvine 87-58. Next: vs. Texas-San Antonio, Sunday: 14. Georgia Tech (6-1) lost to Louis-ville 77-72. Next: vs. Firman, Monday. 15. Georgetown (5-1) boot Marytend-Eost-ern Brore 85-64. Next: vs. Grambling State at Casper, Wya. Wednesdoy, Dec. 28: 16. Syru-cuse (5-1) boot Princaton 67-65, GT. Next: vs. Robert Maryts. Manday: 17. Cincingati (6-2) best Wyaming 61-80. Mext: vs. Cel State Robert Marris, Manday: 17, Cincissori (42) beat Wyamine 81-80. Next; vs. Cal State Narriridge, Manday.

18, Michigan State (4-1) beat Debrot 80-63. Next: vs. Tennessee, Tuesday: 19, Oals University (7-3) lost to Xavier, Ohia 9-7. Next: vs. West Virsinia, Tuesday: 21, Wate Fernes (5-1) beat College of Charleston 74-64, Next: Climbal Tuesday: 24, Manufactor State: 17, Climbal Tuesday: 24, Manufactor State: 17

Other Major College Scores

EAST
Army &1, Corneti &1
Colgate &4, Harvard \$4
Detaware \$1, 104, \$1, Francis, NY 102, 20T
Drexel &4, Fordram \$7
Fairtelph Dickinson &7, Dortmouth &1, OT
Manhottan 72, E. Michison 7)
Md.-Ballimare County 71, Washinston, Md. &5
Mannt \$1, Marys, Md. 72, Loyeia, Md. &1
N.C.-Greenshorp 75, \$1, Francis, Pa. &1
Niagara 96, American U. &4
Nariheastern &6, Fia. Internations, \$7
Setar Holi \$2, \$1, Peter's &4 Seton Hall 92, St. Peter's 46 Towson St. 84, Detaware 83 Virginia Tech 83, West Virginia 73

Alaboma 95, Floring A&M 48
Auburn 102, Alaboma 54, 42
Centenory 115, Stephen F.Austin 167
Coastal Corollas 81, Francis Marien 75
Coppin 51, 99, Bowle 51, 47
Davidson 64 N.C. Charlotte 55
Georgia 87, Physburgh 84, 207
Georgia 51, 103, Grambling 51, 74
Jonas Medison 84, Howard U. 49
Liberty 98, Cing. Tenn. 58
Lovisions Technoson 46
N.C.-Wilminsten 83, 5W Louisions 63
Nichelip 51, 166, Fotth Baptist 51 SOUTH Nichelly St. 140. Folm Baptist 51 Radford 74. Widener 60 S. Catolina St. 60. Furmon 56 S. Littrals 77, Austin Pear 73 Samford 65, N.C.-Asheville 61 South Florida 71, Jacksonville 62

MIDWEST Bradley 79, Florida Alfontic 45 Cleveland St. 75, Oble 51, 73 Creighton 75, Ma.-Kantot City 61 Creighton 75, Markanses Ch Dayton 70, E., Kentucky 45 DePaul 84, Northwestern 47 Evansyllie 77, Campball 45 (Illinois 75, Ill.-Chicoso 40 lowa 102, Long Island U, 73 Kansas St. 63, Washington 62, DT Missouri 74, Mercer 73
Missouri 74, Mercer 73
N. Illinois 83, Maine 66
Nebroska 69, W. Illinois 62
Purdue 76, New Orleans 68
SW Missouri St. 86, Indicas

Wichita St. 64, N. lawa 61 Wis-Green Bay & Rowling Green 62 Wis-Milwaukse 74, NE Illinois 69 SOUTHWEST

SOUTHWEST
Arkenses St. 162, Abilene Christian 81
Lamor 44, Houston 38
Qidehomo 91, Jockson 51, 79
Qidehomo 92, 20, Texas-Pan American
Cral Roberts 107, Berlist Christian 53
FAR WEST
Brisham Young 57, NE Louisione 47
Cal 51, Britisham 51, NE Louisione 47 Brigham Young 57, NE Louisions 47
Cal St-Pullerton 32, UNLV 88
Colarado 51, 71, Mesa, Cole, 50
Idaho 87, Washinston 51, 77 (Frl.)
Idaho 99, D. Greson 76 (Sat.)
Idaho 51, 85 Mantano Tech 41
Loyola Marymourt 80, Layela, Ili, 71
Mantano 83, Cest, Washinston 75, OT
Mantano 83, Cest, Washinston 75, OT
Mantano 52, 90, Texas ASM 78
Nevado 93, Colarado 91
Greson 74, 01, Mary's, Cal, 44
Pooffic 72, Grason 51, 64
Portfand 32, Col Pely-SLO 43

Portion 22, Urgan 51. So Portion 22, Col Pety-SLO 43 Son Diego St, 45. UC Riversión Stanford 96, Son Francisco 40 Utah 95, Adams St. 63 Utah 91, 76, 8, Utah 43 Wakhtanata 24, E. Washington 7 TOURNAMENTS

Boylor 57 Ion 94 Weber \$1, 66 OT Hawaii 71, Old Dominion & Third Pioce

Weber St. 109, Baylor 84

UAB Clessk:
First Roued
Ala-Birminsham 75, Miss. Valley St. 42
Santa Clera 86, Georgia Southern 64
Chemplenship
Santa Clera 86, Ala-Birmingham 45
Third Place
Miss. Valley St. 44, Georgia Southern 61
USAir Clessic
First Round

USAir Classic First Hound Wright St. 90. Proirie View 65 on St. SI, Murray St. 48 Yournations St. 62, Wright St. 56

NFL Standings

Murray St. 114, Protrie View 97 



A43 323 264 571 277 297 560 267 280 A67 317 366 A29 262 271 Saturday, in Durbas, South Africa South Africa Innings: 266-8 (50 overs) Poliston Innings: 206-2 (35 overs) Result: Pokiston won by 8 wickets.

Central W L T PCL PF PA 9 6 0 408 225 300 9 6 0 400 327 315 3 6 7 7 7 0 500 327 25 5 9 0 357 715 300 Weet Macheller 3, Saint-Etlenne 2 Martigues 1, Bordeaux 0 West W 1. T Pct. PF PA x-San Froncisco 13 2 0 567 491 275 New Orleans 6 8 0 429 392 355 Atlanta 6 8 0 429 392 355 LA Roms 4 10 0 286 252 314 Nice O. Le Havre 2 Reanes O. Lens 1 Lifle 1, Sochast 0 Coso O. Mattes 2 New Orleans 6
Atlants 6
LA Roms 4
a-clinched division -clinched playoff spot Paris 5G 1. Strusboury 0 Standings: Nortes 45 solais, Ports 56 41.
Lyon 35, Connes 34, Bordeaux 33, Auxerre 32.
Lens 32, Strusboure 31, Martheus 30, Martz 29,
Monaco 27, Solait-Etienne 26, Le Hovre 26,
Lille 24, Recues 24, Nico 21, Bostio 21, Coen 18,
Montpellier 18, Sochoux 18. Salurday's Games Detroit 41. Minnesoto 19 San Francisco 42. Denver 19 Some in **World Cup Results** Arsenzi 1, Leads 3 Coventry & Newcustle 0

.500 246 222 .500 201 250 .500 265 259 .143 222 324

MEN'S DOWNHILL Results of Enturier's race on the 114-mile, 1,365-fast drop Orniller-Killy course at Val

D'Isere:
1, Armin Assinser, Austrio, 1 minute 56.07
seconds: 2, Potrick Ortileb, Austrio, 1:56.46;
2, Jesef Stroet, Austrio, 1:56.97; 4, Genether
Moder, Austrio, 1:56.07; 5, Pietro Vitolint, (toiv, 1:56.07; 6, Honoes Trieta, Austrio, 1:27.00;
7, Luc Alphond, France, 1:57.00; 8, Werner Peruthaner, Italy, 1:5726; 9, Jean-Loc Cra-tier, France, 1:5720; 16, Lasse Kjus, Norway.

1:57-A, World Cun Downbill Standiors (Affac Iwo reces): 1, Strabl, 160: 2, Ortileb, 130: 2, Al-shand, 116: 4, Mader, 110: 5, Assinger, 109: 4, Creiler, 47; 7, Werner Peruthoner, Italy, 46; 8.
Vitalini, 58; 9, Klus, 50; 10. Werner Franz.
Austria. 47.
MEN'S GIANT SLALDM

MEN'S GIANT SLALOM
Results from Standay's rece at Vel D'Isner
with skier, centify, and two boot jime;
1, Michoel Von Gruenigen, Switzerland
(1:1224-1:1285) 2 miruries, 2509 secnds; 2
Kjell-Andre Aannodt, Norvoy (1:13.181:1272) 2:25.90; 2 Goenther Moder, Austria
(1:14.16-1:12.61) 2:22.84; 4, (fiel Urs Koelin, Switzerland (1:13.86-1:13.27) 2:27.00; Losse
Kjus, Norvoy (1:13.96-1:13.07) 2:27.00; Losse
Kjus, Norvoy (1:13.96-1:13.07) 2:27.00;
6. Sheve Locher, Switzerland 11:13.921:13.54) 2:27.46; 7, Jure Kostr, Slovenia
(1:13.79-1:14.00) 2:27.82; 8, Tobles Barnessol,
Germany (1:13.70-1:14.90) 2:27.89; 9, Horold
Syrund-Nilsen, Norvoy (1:14.75-1:13.46) Strong-Nilsen, Norway (1:1475-1:13.46) 2:28.21: 10, Ian Piccord, France (1:14.64

In. 75; S. Moder, 64; 6. Kosle, 76; 7, Barnessei, 54; 8. Strand-Nilsen, 53; 7. (tte) Alberto Tomba, (foly, 50; Klus, 50. GYERALL WORLD CUPSTANDINGS (AJfer seven events); 1, Tombo, 250; 2, Von Gruenigen 247; 2, Ortifets 230; 4, Moder, 220; 5, Acrost, 213: 6. Alphond, 176: 7. Juset Strubl. Austria, 160; S. (Ne) Thomas Foodor, Sweden.

el Tritischer, Austrio, 140; 10, As-

singer, 133. 

MANDELA TROPHY MATCHES Pukistur vs. South Africo

Laicester 6, Blockburn 9
Monchester United 1, Notitiothom Forest 2
Sheffield Wed. 6, Queens Park Rongers 2
West Harn 3, Amschaster City 8
Chelsen 0, Liverpool 0
Steadings: Blockburn 43 points, Monchester United 41, Newcastie 38, Notitingtom Forest 35, Liverpool 2, Leads 31, Notwich 30, Chelsen 28, Manchester City 28, Tottenham 28, Arsend 24, Covertry 24, Queen's Pork Rongers 29, Wintstedom 27, Southermoon 27, Crystol ers 22, Wimbledon 22, Southampton 21, Crysto Palgoe 21, West Hora 21, Sheffletd Wednesdon 21, Everton 19, Aston Villa 14, Lelouster 14

ITALIAN FIRST DIVISION Bari 1, Parma 2 Crematest 3, Tarina 0 Florentina 1, Fogala 1 Internazionale 0, Lazio 2 Juventus L. Genog 1 Respictos 3. Padova 0 Rengiana 3, Padova 8
Roma 6, Milan 9
Sampdorio 5, Coyilori 8
Standines: Partna 31, Joverdus 30, Florenlina 24, Laxia 25, Renna 24, Bart 22, Sampdorio 27, Foselo 18, AC Aslam 17, Internationale 17, Costlari 17, Torina 15, Nopeli 15, Cremonese 15, Genaa 11, Padova 11, Receiva 9, Bresch 4.

DUTCH FIRST DIVISION Rode JC 2, FC Velendam 1 Go Ansad Eoples 2, FC Granksen Dardrecht 90 1, MVV Moostricht 2 NEC 2. Willem II 2 Vitesse & FC Two ord 1. RKC 0

Standards: Rada JC 25 points. Alax 24, PC Twente 23, PSV Ct. Vilesse 25, Fryenoord 19, Netromoten 18, Wilson (1 17, AVV 15, FC Gra-ningen 14, FC Utrach 13, Sparin 13, NAC 13, PR 12. NEC 11, RKC 10, GA Egg

IZVESTIA CUP

# TRANSITIONS

RASERALL
National Leasure
COLDRADO—Auread to terms with Mike
Kingery, sutfielder, on 1-year contract.
LOS ANGELES—Stander Rudy Securic,
pitcher, to 2-year contract and Al Deuro,
pitcher, to 1-year contract, Accusted William
Brumone pitcher, from Cinchenoli for Ben
Securical Accusted William

MONT REAL—Normed Pol Kelly monager ( Bo McLoughlin pitching coach: and Alex Oches trainer of Harrisburg of the Eastern

CHARLOTTE-Activated Tom

BASKETBALL Mailonal Beskethall Associative ATLANTA—Released Sersel Bazo

DENVER-Activated Result Will and, from the injured list, Placed Danies, guard, on the injured list, NEW YORK—Released Doc Rivers sui Id Ron Grandison, forward, Activated Cl lie Word, guard, from the injured list.

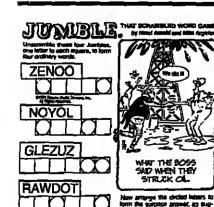
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COLLEGE

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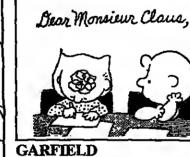
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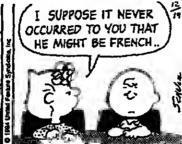


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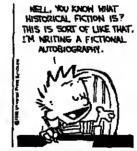
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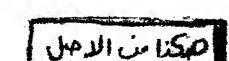
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# **SPORTS**

# Patriots Cloud Bills' Playoff Picture, as San Diego Downs Jets for Berth

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This year, elimination was all but assured a month early for the Buffalo Bills.

The New England Patriots scored 38 unanswered points Sunday, taking advantage of four straight Buffalo turnovers land (9-6) would make the play-Park, New York, that put them ball Conference champions.

teams, the Bills (7-8) will miss the playoffs for the first time since 1987. With a victory Saturday against Chicago, New Eng-

NFL ROUNDUP

for a 41-17 victory in Orchard offs for the first time since 1986. Park, New York, that put them on the brink of the playoffs and virtually ended the Bills' four-year reign as American Foot-ball Conference on the part of their first winning the part of the Without help from five other

place of the injured Jim Kelly. playofts, beating Los Angeles had never lost in six starts for Buffalo. He finished this game at teady defense. Then they waittouchdown and two intercep-tions. Thurman Thomas, who hyperextended knee, gained 70 yards in the first half but only 7

in the second.

Drew Bledsoe was 22-of-31 for 276 yards and three touchdowns for the Patriots. Bears 27, Rams 13: In Chica-

19-of-29 for 207 yards, with one ed for help. Because Green Bay also won, the Bears still needed tions. Thurman Thomas, who two things to happen to qualify missed practice all week with a this week: Philadelphia had to lose or tie with the New York Giants, and Arizona had to lose or tie with Cincinnati.

The Bears stopped the Rams' rushing game, allowing only 37 yards. Jerome Bettis, who needed 30 yards to reach 1,000, was Frank Reich, starting in go, the Bears moved closer to the held to 7 yards oo eight carries.

offs by taking advantage of the New York Jets' stagnated offense to give them their second AFC West title in three years. The Chargers (10-5) had plenty of defense and three touchdown passes by Stao Humphries to hand the Jets (6-

and officially eliminate them from playoff consideration. The game turned when linebacker Junior Seau knocked out the Jets quarterback Boomer Esiason with a shot to the head in the second period. Esiason stayed on the ground for several moments, then headed to the

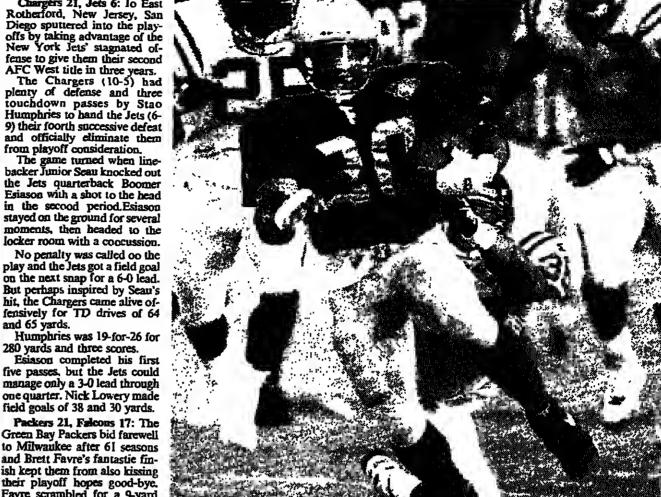
No penalty was called oo the play and the Jets got a field goal on the next snap for a 6-0 lead. But perhaps inspired by Sean's hit, the Chargers came alive of-fensively for TD drives of 64 and 65 yards. Humphries was 19-for-26 for

280 yards and three scores. Esiason completed his first five passes, but the Jets could manage only a 3-0 lead through one quarter. Nick Lowery made field goals of 38 and 30 yards.

Packers 21, Falcons 17: The Green Bay Packers bid farewell to Milwaukee after 61 seasons and Brett Favre's fantastic finish kept them from also kissing their playoff hopes good-bye. Favre scrambled for a 9-yard touchdown with 14 seconds to lift the Packers over Atlanta.

The Packers (8-7) have played a portion of their home schedule in Milwankee since 1933, but in a revenue-generating move, they decided to play all their home games in Green Bay beginning oext year.

The Packers can get into the Denver quarterback John Elway was besieged all game, with the 49ers' Dennis Brown and Bryant Young getting this sack. playoffs with a victory next



Barry Sanders left the Vikings' Todd Scott behind on one of his two touchdown runs.

week at Tampa Bay and some 101 yards and rushed 13 times series after linebacker Bryce belp from other teams.

for 46 more,

Green Bay fullback Edgar Bobby Hebert entered the Bennett caught eight passes for game on the Falcons' second

Jeff George, breaking the little finger on his left hand. Hebert completed 20-of-41 passes for 21 yards. Buccaneers 17, Redskins 14: Washingtoo wound up winless at home for the first time in franchise history, losing to

Tampa Bay on Errict Rhett's 3yard touchdown run with seven

Paup blindsided quarterback

minutes left. The Buccaneers (6-9) won their fourth straight game, their longest winning streak since starting out 5-0 in 1978.

For the eighth time this season, Washington lost a game in which it led in the second half. Tampa Bay got the winning touchdown after Vernoo Turner returned a punt 37 yards and Craig Ericksoo threw a 13yard pass to Scott Armstrong.

Erickson finished 19-of-34 for 267 yards and two intercep-tions. Rhett ran 23 times for 64 yards and two touchdowns. The Redskins' quarterback

Heath Shuler finished 17-of-35 for 201 yards and two touchdowns. The Redskins did not score in

the second half.

In games played Saturday: Lions 41, Vikings 19: There was no catching Barry Sanders and no keeping up with Detroit, as both started fast and finished in a blur, leaving Minnesota wheezing in their wake.

In the third quarter, Sanders broke touchdown runs of 18 and 64 yards and finished with

110 rushing yards.
Mel Gray returned a kickoff
98 yards for a touchdown. Dave Krieg, who is 5-1 as the starting quarterback, passed for 160 yards and two touchdowns for the Lions.

The Lions improved their record to 9-6 with one game left, ou Christmas Day at Miami. Minnesota slipped to 9-6 with one game to play, against streaking San Francisco. There is big concern over the

status of the Vikings' quarter-back Warren Moon, who left play after he was hit while in the pocket. Moon's left knee was twisted and there is concern

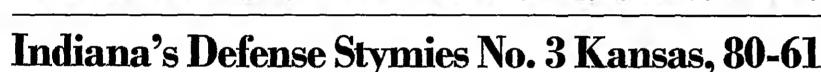
that there is ligament damage.
49ers 42, Broncos 19: San Francisco's victory over Denver oot only guaranteed home-field advantage for the playoffs, but it legitimized quarterback Steve Young — on paper. Young tossed his 32nd, 33rd, and 34th touchdown passes of the season, surpassed Joe Montana's franchise record of 31 in 1987. Young was 20 of 29 for 350

The 49ers almost reached their scoring average of 32.7 points a game by halftime. Their first two touchdowns came 22 seconds apart and the score was 28-6 hy intermission.
Defensive tackle Rhett Hall

yards.

body-slammed Joho Elway from the game in the third quarter forcing Denver to replace him with backup Hugh Millen, who lit a match under the Bron-Brown, who finished with 16 cos, putting together a streak of 20 consecutive completions and two touchdown drives - one after a 76-yard pass to wide receiver Anthony Miller.

Bot Young wasn't finished After throwing touchdown passes to Ricky Watters and Jerry Rice and getting two scores on running plays from William Floyd, he delivered the second touchdown pass to Watters, for 65 yards, and the



The Indiana Hoosiers, often on the defensive, are learning to win that way,

Brian Evans scored 29 points and Alan Henderson added 22 Saturday as

"As we grow as a team, we're learning how to execute the things we practice and carry them over into the game a little better," Hendersoo said.

"Definitely defense is the key. We know we don't have the kind of team that can just go out there and ont-shoot somebody night in and night out. So we know that defense is where we're going

The Jayhawks (5-1) went seven minutes without a point as the Hoosiers (5-4) went on a 15-0 run and stretched the lead to 39-19 with just over two minutes left in the first half. Two free throws by Jacque Vaughn snapped the Kansas drought, but Evans countered with a 3point basket. Then, after baskets by Greg Ostertag and B.J. Williams, 3pointers by Evans and freshman Neil Reed gave the Hoosiers a 48-25 halftime lead and Kansas never recovered.

Evans and Henderson, dominating the boards, grabbed 12 rebounds apiece and the Hoosiers outrebounded Kansas,

The Jayhawks, shooting 53 percent from the field for the season, managed only 26 percent in the first half and 36 percent for the game.
"Indiana kicked our tails every way it

14 1981 John

16 Songbird

playwright

can get kicked," said Kansas' coach, Roy Williams.

ACROSS

6 Good farm soil

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Racf LaFrentz 10. Reed added 14 points for the Hoosiers.

Alan Henderson added 22 Saturday as the Hoosiers beat No. 3 Kansas, 80-61, labria bit six 3-pointers in the first half in Bloomington, Indiana, to extend the nation's longest college basketball home for most points in a game. The Tar scored 24 points, including two 3-points in the first half in El Paso, Texas, Damon Stoudamire ed 15. Drew Barry led Tech with 18.

No. 7 Arizona 75, Texas-El Paso 61: with 16 points and Deluan Wheat adortion's longest college basketball home for most points in a game. The Tar ers in the second half that broke open a Syracuse, New York, Otis Hill's first Chapel Hill, North Carolina, Dante Capoints.

### COLLEGE HIGHLIGHTS

Heels showed no ill effects from a nineday layoff, sinking 31 of 41 shots in the first 20 minutes and blocking 10 shots while building a 77-42 lead at intermission, Jerry Stackhouse led the Tar Heels with 22 points, and Jeff McInnis added

20. Lawrence Gullette led VMI with 22. No. 2 UCLA 92, LSU 72: In Baton Rouge, Louisiana, Ed O'Bannon scored 28 points and his brother, Charles, had 17 to lead UCLA to vitory.UCLA wore LSU down in the second half and opened a lead of 29 points, 83-54, late in the game. LSU, which made just 5 of 13 3-pointers and only 5 of 16 free throws, was

led by Ronnie Henderson with 22 points. No. 5 Massachusetts 91, Western Kentucky 72: In Amherst, Massachosetts, Mike Williams had 21 points, four rebounds and three assists in his first start of the season and led Massachusetts to its fourth straight victory. Dana Dingle and Donta Bright each added had 14 points for the Minutemen, who led, 50-39, at the half and then went on a 22-7 run starting with 10:32 left to finish off the Hilltoppers.

No. 6 Kentucky 83, Texas Tech 68: In Cincinnati, Rodrick Rhodes kept Kentucky close with 13 first-half points until the Wildcats wore down Texas Tech and

No. 1 North Carolina 129, VMI 89: In in the go-ahead rally, finished with 14

close game, as Arizona won its seventh in a row. UTEP held a 30-28 lead at the close the first half, bot Stoudamire hit a 3-pointer with 12:16 remaining to give the Wildcats a 43-42 advantage and begin a 15-4 run that put the Wildcats up 55-46. They coasted from there.

No. 8 Florida 71, Florida State 65: In Orlando, Florida, Dan Cross put Florida ahead for good with a pair of free throws, and Dametri Hill added two more with 16.3 seconds left in the second overtime as the Gators held on. Hill finished with 21 points, while Cross had 17 for Florida. James Collins led Florida State with 18 points, but teammate Bob Sura was held to 11 on 2-for-18 shooting before fouling out in the second overtime.

California 82, No. 11 Minnesota 75: In Oakland, California, Monty Buckley scored 21 points and Tremaine Fowlkes added 16 off the bench as California remained unbeaten by upsetting Minnesota, which took its second straight loss, after a 6-0 start. The Golden Gophers were coming off a 91-38 overtime loss to Cincinnati earlier this week. Townsend Orr, who had two points at halftime, led Minnesota with 21 points.

Louisville 77, No. 14 Georgia Tech 72: his 14 points in the final 4:28, including Xavier ahead, 79-64.

Haase led the Jayhawks with 16 pulled away in the sercood half. Rhodes, an alley-oop slam at the buzzer, as Loupoints, while Williams added 11 and who had been averaging just over 12 isville upset Georgia Tech. Sims' late points a game, finished with 23 for Ken-flurry came after Tech had cut a 51-32 tucky. Tony Delk, who was instrumental deficit with 16:12 remaining to 65-64. It was the third victory in a row for the Cardinals. Samaki Walker led Louisville

points of the game gave Syracuse the lead in overtime, and the Orangemen opened a nine-point lead before holding on to win by two points. Syracuse had only four field goals in the second half bot sank 16 of 21 free throws to stave off the upset-minded Tigers. No. 17 Cincinnati 81, Wyoming 80: In

scored 45 points, including 10 in the final 89 seconds and three free throws after the final buzzer, as Cincinnati came back to beat Wyoming. Wyoming led the whole game, but blew a nine-point lead in the final 90 secoods when Cincinnati's full-court press started to work. Durden missed a 20-foot jumper at the buzzer, but he was fouled by LaDrell Whitehead and made all three shots to win it for the Bearcats :

Xavier, Ohio 90, No. 19 Ohio U. 71: In Cincinnati, Michael Hawkins scored a career-high 26 points, and Xavier held Gary Trent to 17 points, his lowest total of the season, by switching defenders on almost every possession and double-and triple-teaming him. Hawkins' 3-point jumper from the top of the key with 8:21 left in the game started a five-minute, 16-0 blitz that wiped out the only second helf lead for Objected and In Atlanta, Alvin Sims scored seven of only second-half lead for Ohio and put



Denver's Reggie Slater hangs onto rim, wondering where his shot, blocked by Charlotte's Alonzo Mourning, landed.

### **CROSSWORD**

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C New York Times/Edited by Will Shortz.

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# With Payton Pointing Way, Sonics Post 40-Point Victory Over Magic

dominate a game. Payton scored 31 points in 31 minutes, had seven assists and a season-high seven steals and didn't even play the fourth quarter Saturday night as the Seattle SuperSonics romped to a 124-84 victory over Orlando in Tacoma,

"It was by far our best game of the season," said the Sonics' coach, George Karl, "Gary was fantastic. I don't know if I've ever seen him play better." Pay-ton scored 24 points on 9-for-10 shooting in the first half, which ended with the Sonics leading by 61-34.

The Magic appeared a step slow from the start. Even Anfernee Hardaway, the Orlando point guard who had a careeringh 38 points the previous night, was no match for Payton.

Timberwolves 96, Bullets 87: In Landover, Maryland, Dong West scored a game-high 25 points as Minnesota beat Washington to extend the Bullets' losing streak to five games. Isaiah Rider added 19 points and Christian Laettner had 22 for Minnesota.

and 11 rebounds in his first 20 to lead Sacramento.

Gary Payton showed the OrMiami beat Atlanta. Willis spent Atlanta with 14 points. Kevin Gamble added 18 for Miami.

Pistons 97, 76ers 92: In Philadelphia, Terry Mills scored 32

### NBA ROUNDUP

points and Joe Dumars added 22, as Detroit broke a five-game losing streak by beating Phila-delphia. Philadelphia connected on 10 of 23 3-pointers and Detroit hit 8 of 14. Hornets 111, Nuggets 92: In

Charlotte, North Carolina, Hersey Hawkins scored a season-high 28 points to lead all Charlotte's starters in double figures as the Homets beat Denver. Hawkins hit on 12 of 18 shots against Deover. Alonzo Mourning scored 21 points. Reserve Mahmoud Abdul-Rauf, with 15 points, led five Nuggets in double figures.

Suns 109, Kings 98: In Phoenix, Arizona, Charles Backley hit Houston as time ran out. season highs with 27 points and record 22nd consecutive home ami, Kevin Willis had 24 points and Mitch Richmond each had

Mavericks 106, Chippers 87: In Anaheim, California, Jim lando Magic and Shaquille the first nine years of his NBA Jackson scored 16 of his 31 O'Neal that a point guard can career in Atlanta. Craig Ehlo led points in the third quarter, and points in the third quarter, and Jamal Mashburn added 28 as Dallas ended their 11-game losing streak against Los Angeles. Roy Tarpley had 21 points and a season-high 16 rebounds in 31 minutes off the bench.

Jazz 97, Buils 89: In Chicago, Karl Malone had 30 points and 14 rebounds and John Stockton added 15 assists against Chicago as Utah pulled away late for its seventh consecutive road victory. Toni Kukoc scored 19 points and Scottie Pippen 17 for Chicago.

Celtics 112, Rockets 109: In Houston, Dominique Wilkins scored 43 points, including five of six 3-pointers, as Boston downed Houston. Dec Brown's 3-pointer with 35 seconds left gave Boston a 108-105 lead. points, then added three free throws and Wilkins sank another with 5.4 seconds left. Kenny Smith missed a 3-pointer for

Spurs 116, Lakers 102: In 14 rebounds as Phoenix beat San Antonio, Texas, Dennis Sacramento for the franchise's Rodman scored 14 points and had a game-high 19 rebounds, Amnesota.

Heat 96, Hawks 85: In Mi
Zi for the Suns. Walt Williams Angeles. San Antonio beat Los
Angeles. San Antonio's David
and Mitch Richmond each had Robinson led all scorers with 32 points and had 17 rebounds.

### LANGUAGE

# Metaphors and Other Gifts of Gab

By William Safire

WASHINGTON — The best writers know how hard it is to make writing look easy. That's a flat sentence; no color in it. Alexander Pope, in his "Essay on Criticism," breathed life into the thought by using a terpsichorean metaphor:

True ease in writing comes from art, Not chance. As those move easiest who have learn'd

To dance. I found that mental picture in the new Metaphors Dictionary (Elyse Sommer and Dorrie Weiss, eds.; Gale Research, \$65). The price is steep because the subject seems too narrow for a wide audience, but the book rates a recommendation to lovers of language, which Robert Louis Stevenson called "but a poor hull's-eye lantern wherewith to show off the vast cathedral of the world." (And what ever happened to wherewith? Beats with which.)

Been a fine year for slang research. Paul Dickson's "War Slang: American Fighting Words and Phrases From the Civil War to the Gulf War" (Pocket Books, \$25) is a dictionary Henry Shrapnel would have enjoyed. Chu-hoi is a Vietnamese word for "surrender" that was used often by Gls (that's rooted in "government issue") in Iraq, showing how slang travels; in the Cold War, a sought-after substance or desirable piece of hardware that could not be procured was called unobtanium.

Getting a Gyppy tummy? That is the Egyptian equivalent of Mexico's "Montezuma's Revenge" and is nearly the last item in the first volume (A-C) of the Random House Historical Deticatory of American Slang, Jonathan Lighter, ed. (\$50, but it runs a thousand big pages, with only a dozen devoted to the F-word). This is the major work of lexicography published this year, on the scholarly level of the Dictionary of American Regional English. The HDAS is a kind of underside of the OED; indeed, on a word like double-cross, its first citation is from 1826, written as double X, and beats the Oxford by eight years. (That shows original research; for first use, most

of us just crib from the OED.) "How Does Olive Oil Lose Its Virginity?"
(Quill, \$8.95 paper) is the questioning title of Bruce Tindall and Mark Watson's entertainingly educational series of essays on "the enigmatic questions of contemporary life." I have dealt with the mystery of extra-virginity in this space (you slowly grind the olives at room temperature), but the authors break new linguistic ground with "Why is there a sperm whale but no ovum whale?" as well as "Why aren't there any

While we await Robert Burchfield's updating of Fowler's "Modern English Usage," the competition to the University of Chicago's Manual of Style will be The New York Public Library Writer's Guide to Style and Usage (Andrea J. Snichiffe, ed.; HarperCollins, \$35). I never met a Library Writer, but this book is most helpful on punctuation, abbreviation and the arcana of desk-top

publishing, and it gutsily takes positions. "The preferred term to describe a person in a homosexual relationship," the NYPLWGSU opines, "is companion, not lover or partner, both of which have other connotations." (I'd use each instead of both, which implies the two together.) However, animal rights activists prefer companion animal to pet, and "long-term nurse" is another sense of companion; for "person of the same sex sharing a life," I prefer partner, but that's what makes usage horse races. The library's stylebook is worth buying, even though it permits the interchangeable use of each other and one another, which I think confuses "between

two" and "among three or more."

Turned on by net stockings? The Macmillan Visual Dictionary, Multilingual Edition (\$60; it seems you have to be rich to be literate), is a Duden-style lexicon that puts a big picture of an airport on a page and then names everything from the hangar to the place you go when they lose your uggage. It's especially useful in English, Spanish, French, and German (in which a net stocking is a medias de malla, bas résille ot a Netzstrumps).

Of course, the best way to learn to write, or to good writing by the Old Pros. "The Afterire" and other stories by John Updike (Knopf. \$24) is an example of "true ease in writing" as described by Pope. The historian Daniel J. Boorstin's essays, "Cleopatra's Nose" (Random House, \$23)

especially his disquisition on the White House deal unexpectedly with the unexpected. And Herman Wouk's novel "The Glory" (Little, Brown, \$24.95) uses fiction to accurately portray the Yom Kippur War in a way no military historian can match.

To conclude in a blaze of metaphor, these writers know, in Winston Churchill's words: "Writing a book is an adventure. To begin with, it is a toy and an amusement; then it becomes a mistress, and then it becomes a master, and then a tyrant. The last phase is that just as you are about to be reconciled to your servitude, you kill

the monster, and fling him out to the public."

Catch what they're flinging. Give the gift of gah this Christmas. Lasts longer than a Netzstrumpf.

New York Times Service

# Reflections From Canada's Literary Zeus

By Clyde H. Farnsworth New York Times Service

TORONTO - When American in-A vaders crossed the Niagara fron-tier during the War of 1812, they came upon the family farm of one of the forebears of the author Robertson Davies and were astonished to find angry youths shooting at them from

the farmhouse windows.

They thought we'd be delighted to lay down the hateful British yoke, but they didn't think they were bringing another kind of yoke with them," said the man some consider to be Canada's greatest living writer.

Four of his ancestors fell in that engagement, the Battle of Stoney Creek, and he is proud that it helped to turn the tide against the invaders.

That Canadians are distinct from Americans is a subtheme of his novels, the most famous of which are the Deptford trilogy, "Fifth Business." "The Manticore" and "World of Wonders,

in the 11th and latest novel, "The Cunning Man," the aging hero -not unlike his 81-year-old creator - rues the withering of Canada's British connection and the growth of the American connection "under the caress of the iron hand and buckskin glove."

Greg Gatenby, the literary scholar who directs the Harbourfront International Reading Series in Toronto, said that "in anyone's delineation of the pantheon of Canadian writers, Davies holds a place close to Zeus."

With his magnificent snowy beard, great white mane and protuberant brow, Davies has a magisterial look as well. He talked about his views of Canadian nationality at his office at Massey College, the University of Toronto's graduate college, where he is

the founding master.

Davies, who was born in Ontario, said the higgest difference between Canada and the United States is in

their underlying myths.

The myth of America is a very powerful one and one that we in Canada look toward with envy," he said.
"You have your heroes. You have your great men of the past, you have your myth of tradition, of the conquering of the west, and the pioneer life and the gold rush life and all that sort of thing, which is enormously



Robertson Davies says Canadians "don't go for heroes."

romantic, and nations feed on the tomantic tradition.

"We don't go for heroes. As soon as a man begins to achieve some sort of high stature, we want to cut him down and get rid of him, emharrass him."

He also sees Canada as "very much a northern country, much more like Scandinavia or Russia than the Unit-ed States." Moreover, he said, "Cana-da is a socialist monarchy. You hate monarchies and socialism, and we're

Davies is just as eager to see Canada hold together as he is to avoid an American yoke. "The present hullabaloo about Quebec is precisely that," he said. "It will not die down, but it will not come to anything."

He contends that economic considerations will keep Quebec in the fold. "What happens to the thousands of French Canadian civil servants who are no longer on the public payroll?"
he said. "They're suddenly going to be without a job, and certainly the new Quebec wouldn't be able to provide them with comparable income. And

want to shoulder it." He also expects pressure from the United States. "I don't imagine for one instant that the United States wants a balkanized Canada to the north," he said. The United States says officially that it supports a strong

what would Quebec do with its share

of the national debt? They wouldn't

and united Canada Quebec separatism is Canada's civil

war, Davies said, but unlike the American Civil War, he predicted, it will

not become violent. Our civil war is a psychological one," he said. "It's a tough kind of war to fight because it's very wearing.
There is never any letup. There is never any cease-fire. There is never

any stopping to celebrate Christmas." Il Russia St His comments about French Canadians underscore the observation of Richard Davis, professor of Canadian literature at the University of Calgary, that Davies "comes from a traditional

male, English-Canadian base," The French are "always complaining," Davies contended. "They have never got over the defeat on the Plains of Abraham," the battle in 1759 that established British rule in Canada.

"They're terribly unrealistic about this sort of thing, but they are also very shrewd and very practical. They know the dollar better than they know their mothers, and if they think that is threatened by leaving the dominion, they will stay."

Davies' reflections on politics come from a certain academic distance His cozy office is dominated by a large writing desk, bookcases and portraits of Shakespeare, Rabelais, Rob. ert Burton - whose "Anatomy of Melancholy" provides inspiration for the latest novel — and John Cowper Powys, the 19th-century novelist whom Davies called "a great, great, undervalued man."

Davies is now working on an article for the Dictionary of National Biography on a 19th-century English actor, Henry Irving. But his main creative work is done on his 150-acre estate in the hills of Caledon East, about an hour from central Toronto, where he lives with his wife, Brenda.

He taught literature at the university for 21 years and still confers with students, including many, he volunteers, who ask whether getting a job on a newspaper would harm their

writing style.

A former editor of The Peterborough Examiner, as well as an actor and playwright, he tells them that journalism "teaches you to write more concisely and to get busy and write when you must, instead of just sitting around waiting for the inspiration, which isn't going to come."

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### WEATHER

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Oceania

Forecast for Tuesday through Thursday, as provided by Accu-Weather. North America Europe

North America
Sunehine will be the rule
from Boston to Washington,
O.G., Tueeday, then
Wednesday will be partly
sunny, and a storm is possible later in the week, Detroit
and Chleage will be much
milder then normal fer the
escend part of Occember,
Reine will seek Vancouver
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# By T. R. Reid Washington Post Service

nearly three centuries. But this year, there is a whole new boom for the drama known here as the "Chushingura," or "The Treasure Chest of the Loyal Retainers." In Western terms, the "Chushingura" is something like a combination of the Alamo

-a dramatic historical event that was turned into a great theatrical masterpiece. In 1994, this old war-horse has been trotted out anew in the form of a bestselling novel, two movies and a series of TV dramas and documentaries. It all stems from an actual assassination

on Dec. 14, 1702. Racing barefoot, for silence, over the snow, a hand of 47 samu-

### In Japan, Old Tale of the 47 Assassins Enjoys New Vogue rai broke into a Tokyo fortress to slay an

POSTCARD

TOKYO — The economy is shaky, the government shakier yet. Even the vaunted trains are running late because of technical problems. And so, as they always do in tough times, the people of Japan have turned back to one of their beloved national sagas — the tale of the 47 loyal assassins.

This epic story of a great vendetta has been boffo at the box office in Japan for

evil warford who had wronged their master two years earlier. The loyal assassins then marched through the streets bearing the bead of their victim and eventually lined up, one by one, to commit hara-kiri as atonement for their act of violence.

The story is considered such a storehouse of Japanese values - long-term planning, undying loyalty to authority figures, sacrifice for the group - that all performances were banned by the U.S. occupation forces after World War II.

But you cannot keep a good tale down. In recent years, the classic eight-hour version, first performed 250 years ago, has been a staple of kabuki and bunraku pap-pet theaters. Book and video stores are jammed with offerings on the famous 47.

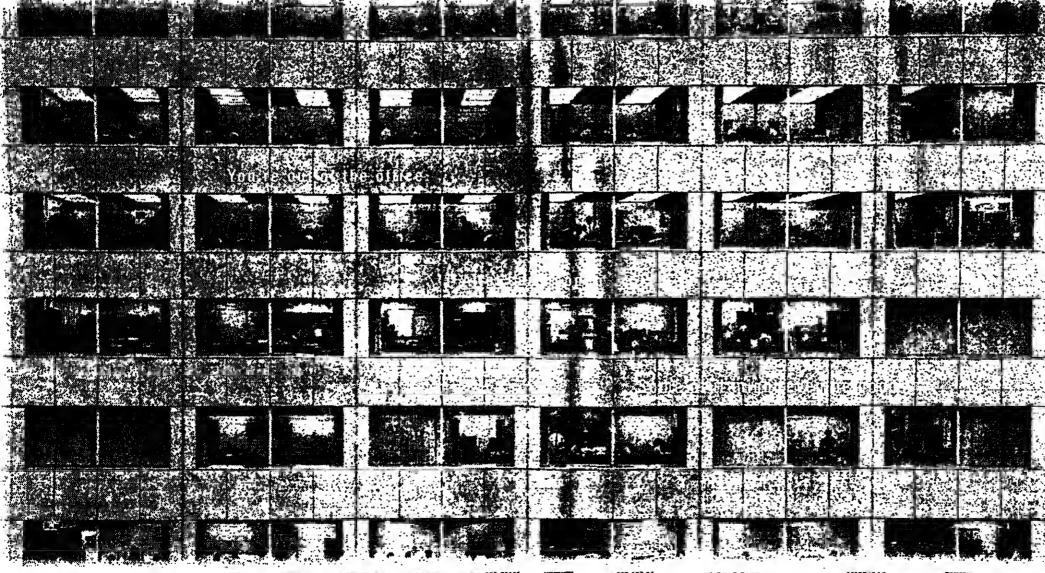
"In unstable times, people naturally want to get back to the old traditions," explained Hidekazu Aizawa, a media anayst for a large advertising firm, Dentsu. Many Japanese love this story. And they love to see it again, because each new director adds new twists."

Of the two new movies that just opened all over Japan, "The 47 Assassins," based on a best-selling novel about the vendetta, tells the old story in straightforward terms. It features Ken Takakura, a Bogart-like tough : guy who has played the mobster with a kind heart in countless gangster films, in the role of the vendetta leader.

The other new version, "Chushingura and the Ghost of Yotsuya," combines the serious and historically accurate revenge tale with an old Japanese ghost story about a dead wife who comes back to torment the husband who murdered her.

Some analysts say this is the most interesting twist yet on the familiar old story: This modern, increasingly Westernized society is changing so fast that people no longer respond uniformly to the values

upheld by the loyal 47. "Many Japanese, probably most, still love this story," said Aizawa, the analyst with Dentsu Advertising. "But there are some now who hate it, who say that the long conspiracy and the assassination amount to a terrible waste of human life."



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